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SUPREME COURT, U.S.
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No.

In the Supreme Court of the United States

CUOZZO SPEED TECHNOLOGIES, LLC, PETITIONER

v.

MICHELLE K. LEE, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, PATENT AND TRADEMARK OFFICE

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

In 2011, Congress enacted the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, which established a new post-grant adjudicatory process for challenges to the validity of patents. The Act created a body within the Patent and Trademark Office, called the Patent Trial and Appeal Board (Board), to hear those challenges as a quick and cost-effective alternative to litigation. One of the new types of adjudicative proceedings, *inter partes* review (IPR), has been both unexpectedly popular and surprisingly lethal. Since the inception of IPR, patent challengers have filed over 3,400 petitions, and nearly 85% of the IPR proceedings to date have resulted in the cancellation of some or all claims in the patent under review.

A primary reason for the high cancellation rate is that, although IPR was expressly designed to be a surrogate for litigation, the Board does not use the same claim construction standard as federal courts. Rather than construe the claim in an issued patent according to its plain and ordinary meaning, as a federal court would be required to do, the Board gives the claim its broadest reasonable interpretation, which is a protocol used by examiners in reviewing patent applications. Of course, the broader the interpretation of the claim, the more extensive the array of relevant prior art—and in turn the more likely that the claim will be held invalid in light of that prior art. Consequently, the Board's broad interpretation allows for differing determinations of validity in IPR proceedings and litigation.

Over a dissent by Judge Newman, a divided panel of the Federal Circuit affirmed the Board's use of the broadest-reasonable-interpretation standard for claim construction. The panel majority also held that, even if the Board had exceeded its statutory authority in instituting an IPR proceeding in the first place, the Board's decision to institute was judicially unreviewable. The court of appeals denied rehearing by a vote of 6-5, over a joint dissent by Chief Judge Prost and Judges Newman, Moore, O'Malley, and Reyna, as well as a separate dissent by Judge Newman. The five dissenting judges addressed the merits of, and would have rejected, the Board's claim construction standard.

The questions presented are as follows:

1. Whether the court of appeals erred in holding that, in IPR proceedings, the Board may construe claims in an issued patent according to their broadest reasonable interpretation rather than their plain and ordinary meaning.

2. Whether the court of appeals erred in holding that, even if the Board exceeds its statutory authority in instituting an IPR proceeding, the Board's decision whether to institute an IPR proceeding is judicially unreviewable.

PARTIES TO THE PROCEEDINGS

Petitioner is Cuozzo Speed Technologies, LLC. Respondent is Michelle K. Lee, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, who intervened in the court of appeals to defend the decision of the Patent Trial and Appeal Board after Garmin International, Inc. and Garmin USA, Inc. reached a settlement with petitioner and withdrew from the case. Pursuant to Rule 12.6 of this Court, petitioner believes that Garmin International, Inc. and Garmin USA, Inc. have no interest in the outcome of this petition.

CORPORATE DISCLOSURE STATEMENT

Petitioner Cuozzo Speed Technologies, LLC has no parent corporation, and no publicly held company owns 10 percent or more of its stock.

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PETITION FOR A WRIT OF CERTIORARI

Petitioner Cuozzo Speed Technologies, LLC respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The amended opinion of the court of appeals on rehearing (App., *infra*, 1a-47a) is reported at 793 F.3d 1268. The opinions respecting the court's denial of rehearing en banc (App., *infra*, 50a-67a) are reported at 793 F.3d 1297. The original opinion of the court of appeals (App., *infra*, 68a-108a) is reported at 778 F.3d 1271. The final decision of the Patent Trial and Appeal Board (App., *infra*, 109a-167a) is reported at 108 U.S.P.Q.2d 1852. The decision of the Patent and Trademark Office to initiate trial for *inter partes* review (App., *infra*, 168a-198a) is not reported but is available at 2013 WL 5947691.

JURISDICTION

The court of appeals entered its original judgment on February 4, 2015. The court issued an amended opinion, and denied the petition for rehearing (App., *infra*, 48a-49a), on July 8, 2015. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATUTORY AND REGULATORY PROVISIONS INVOLVED

The relevant statutory and regulatory provisions are reproduced in the appendix to this petition. App., *infra*, 199a-223a.

STATEMENT

A. The America Invents Act

1. In the early 2000s, several commentators criticized the Patent and Trademark Office (PTO) for issuing too many patents that were unlikely to be found valid upon review. See, *e.g.*, Mark A. Lemley & Bhaven Sampat, *Is the Patent Office a Rubber Stamp?*, 58 Emory L.J. 181, 181 (2008) ("A growing chorus of voices is sounding a common refrain: the U.S. Patent and Trademark Office (PTO) is issuing far too many bad patents."). Congress became increasingly concerned that the existence and continued issuance of bad patents were creating uncertainty in the marketplace and impeding innovation. See App., *infra*, 32a-33a (Newman, J., dissenting).

Parties also lacked a reasonably efficient way to challenge a patent's validity. A challenger could submit a request for *inter partes* reexamination to the PTO, and a patent examiner would then decide whether to initiate a reexamination proceeding. Such proceedings were relatively infrequent, however, because patent owners could amend and strengthen their claims, challengers were limited in any subsequent litigation, and the reexaminations themselves could be costly and time-consuming. See App., *infra*, 54a (joint dissent of Prost, C.J., and Newman, Moore, O'Malley, Reyna, JJ.). Challengers instead typically brought or responded to litigation, but that also could be expensive and slow. *Ibid.*; *id.* at 32a-33a (Newman, J., dissenting).

To address those issues, after six years of hearings and collaboration with a wide range of stakeholders, Congress enacted the Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284 (2011),

with the goal of improving the quality of patents and reducing unnecessary litigation costs. See H.R. Rep. No. 112-98, pt. 1, at 39-40 (2011). The cornerstone of the Act is its creation of a new type of adversarial proceeding before the PTO to decide patent validity. The new adjudicatory proceeding—called *inter partes* review or IPR—is meant to "provide a reliable early decision, by technology-trained patent-savvy adjudicators, with economies of time and cost." App., *infra*, 33a (Newman, J., dissenting).

The AIA replaced the former system of *inter partes* reexamination with this new adversarial proceeding. See H.R. Rep. No. 112–98, at 46-47 ("The Act converts *inter partes* reexamination from an examinational to an adjudicative proceeding, and renames the proceeding '*inter partes* review.'"). The AIA also formed a new body within the PTO, the Patent Trial and Appeal Board, to hear the challenges to patent validity. Congress's goal was to create "a completely new type of PTO proceeding," App., *infra*, 54a (joint dissent)—specifically, an "adversarial evidentiary proceeding in the PTO" that could "reliably resolve most issues of patent validity, without the expense and delay of district court litigation, and sometimes even before infringement has occurred," *id.* at 32a (Newman, J., dissenting).

2. Under the new IPR system, a person other than the patentee initiates a challenge to the validity of an existing patent by filing a petition with the PTO. See 35 U.S.C. 311(a). The petitioner may challenge patent claims "only on a ground that could be raised under [S]ection 102 [novelty] or 103 [obviousness] and only on the basis of prior art consisting of patents or printed publications." 35 U.S.C. 311(b). The petition must identify with particularity "the grounds on

which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim." 35 U.S.C. 312(a)(3). The patentee then has "the right to file a preliminary response to the petition * * * that sets forth reasons why no inter partes review should be instituted based upon the failure of the petition to meet any requirement of this chapter." 35 U.S.C. 313.

Within three months after the patentee's preliminary response is due, the Director of the PTO must decide whether to grant the petition and institute IPR. 35 U.S.C. 314(b).[1] Congress authorized the Director to institute IPR only upon "determin[ing] that the information presented in the petition * * * and any response * * * shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." 35 U.S.C. 314(a). The Director's decision whether to institute an IPR proceeding is "final and nonappealable." 35 U.S.C. 314(d).

If the Director decides to institute IPR, the case proceeds to discovery and trial. The patentee is permitted certain discovery of relevant evidence, including depositions of the petitioner's declarants. See 35 U.S.C. 316(a)(5); 37 C.F.R. 42.51. The patentee may also file a response to the petition, along with any supporting affidavits or declarations. See 35 U.S.C. 316(a)(8); 37 C.F.R. 42.120. If the patentee files a response, the petitioner is permitted certain discovery of relevant evidence, including depositions of the patentee's declarants, and may file a reply. See 35 U.S.C. 316(a)(5), (13); 37 C.F.R. 42.51. The trial is

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[1] The PTO's Director has delegated this responsibility to the Patent Trial and Appeal Board. See 37 C.F.R. 42.108.

then conducted by a panel of at least three administrative patent judges. See 35 U.S.C. 6(c), 316(c). Either party may request an oral hearing. See 35 U.S.C. 316(a)(10); 37 C.F.R. 42.70.

Unlike the former system of *inter partes* reexamination, *inter partes* review is not an examinational process. Patent examiners play no role, and the Board is not authorized to perform an examinational review, such as searching the prior art or formulating grounds of rejection. Rather, the IPR process is strictly adversarial and adjudicatory. In addition, unlike the liberal right to amend claims and iterative back-and-forth between patent owner and examiner in *inter partes* reexamination, IPR allows the patentee to make a single motion to amend, after conferring with the Board. See 35 U.S.C. 316(d)(1); 37 C.F.R. 42.121(a). The motion is presumptively limited to substituting one amended claim for one challenged claim, and the motion may be denied if the amendment "does not respond to a ground of unpatentability involved in the trial" or "seeks to enlarge the scope of the claims of the patent or introduce new subject matter." 37 C.F.R. 42.121(a).

Following the parties' evidentiary presentations and trial before the three-judge panel, the Board must "issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added" by amendment. 35 U.S.C. 318(a). The entire IPR, including the Board's final decision, must be completed on a swift timeline: within one year from the date of institution, absent an extension for good cause. 35 U.S.C. 316(a)(11). Any party to the IPR "who is dissatisfied with the final written decision of the Patent Trial and Appeal Board * * * may appeal the Board's decision

only to the United States Court of Appeals for the Federal Circuit." 35 U.S.C. 141(c).

B. Proceedings Before The Board

1. Petitioner Cuozzo Speed Technologies, LLC (Cuozzo) owns a patent on an invention that alerts drivers when they are speeding. The invention integrates a GPS unit and an in-vehicle display to provide a visual indication to the driver when he is exceeding the speed limit at the vehicle's present location. Cuozzo's patent claims thus cover "a speedometer integrally attached to [a] colored display." App., *infra*, 3a. Among other things, the invention eliminates the need for drivers to take their eyes off the road to look for speed limit signs.

On September 16, 2012—the date that the new system of *inter partes* review became available—Garmin International, Inc. and Garmin USA, Inc. (collectively, Garmin) filed an IPR petition challenging, *inter alia*, claims 10, 14, and 17 of the Cuozzo patent. The Board denied all of the grounds for unpatentability alleged by Garmin with respect to claims 10 and 14, but it applied to those claims prior art cited by Garmin with respect to claim 17. App., *infra*, 188a, 192a-193a. The Board then instituted IPR for all three claims, determining there was a reasonable likelihood that all of the claims were obvious based on prior art. *Id.* at 196a-197a.

2. In November 2013, after briefing, discovery, and the submission of evidence, the Board issued a final written decision invalidating claims 10, 14, and 17 as obvious under 35 U.S.C. 103. App., *infra*, 109a-167a. The Board explained that "[a]n appropriate construction of the [claim] term 'integrally attached' * * * is central to the patentability analy-

sis." *Id.* at 116a. Rejecting Cuozzo's construction of the ordinary meaning of the claim term "integrally attached," the Board gave the term its "broadest reasonable construction." *Id.* at 117a-120a. Using that construction, the Board found that claims 10, 14, and 17 were obvious based on prior art. *Id.* at 166a. Cuozzo appealed to the Federal Circuit, and although Cuozzo and Garmin reached a settlement, the PTO intervened to defend the Board's decision.

C. Proceedings Before The Federal Circuit

1. Over a vigorous dissent by Judge Newman, the panel majority affirmed the Board's decision in its entirety. App., *infra*, 1a-47a.[2]

a. The panel majority first held that the Board's decision to institute IPR was judicially unreviewable. App., *infra*, 7a. The panel majority acknowledged Cuozzo's argument that, for claims 10 and 14, "the PTO relied on prior art that Garmin did not identify in its petition as grounds for IPR as to those two claims." *Id.* at 6a. The panel majority also acknowledged that any petition for IPR must identify with particularity "the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim." 35 U.S.C. 312(a)(3); App., *infra*, 6a. The PTO may institute IPR only if "the Director determines that the information presented in the petition and any response shows that there is a reasonable likelihood that the petitioner would prevail." *Ibid.* (quoting 35 U.S.C. 314(a)).

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[2] On rehearing, the panel majority and Judge Newman withdrew their original opinions, see App., *infra*, 68a-108a, and issued amended opinions with substantial revisions, see *id.* at 1a-47a. This petition refers to those amended opinions.

The panel majority nevertheless held that judicial review was barred by the AIA, which provides that "[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable." 35 U.S.C. 314(d). In the panel majority's view, Section 314(d) bars review even if, despite the statute's terms, the Director institutes IPR based on grounds and evidence that are not identified with particularity in the petition. The panel majority thus concluded that Section 314(d) "exclude[s] all review" of an institution decision, regardless of whether the challenge is to the appropriateness of the Director's exercise of his statutory authority or is instead to the Director's exceeding that authority. App., *infra*, 7a.

b. Turning to the merits, the panel majority held that the Board had permissibly adopted the broadest-reasonable-interpretation standard for claim construction. App., *infra*, 11a-21a. The panel majority observed that "the broadest reasonable interpretation standard has been applied by the PTO and its predecessor for more than 100 years in various types of PTO proceedings." *Id.* at 13a. Based on that history, the panel majority concluded that when Congress created the new system of *inter partes* review, it "impliedly approved the existing rule" in IPR, notwithstanding Congress's intent to replace *inter partes* reexamination with IPR adjudication and the substantial differences between IPR and other types of PTO proceedings. *Id.* at 15a.

In the alternative, the panel majority held that even if Congress had not intended claims to be given their broadest reasonable interpretation, the PTO's regulation adopting that standard in IPR is a valid exercise of the agency's rulemaking authority and en-

titled to *Chevron* deference. App., *infra*, 18a-21a; see 37 C.F.R. 42.100(b). According to the panel majority, although the PTO does not have the "power to interpret substantive statutory 'patentability' standards," it has the authority to "embod[y] in a regulation the approach it has uniformly applied, even without rulemaking, when it is interpreting 'claims' to assess patentability." *Id.* at 20a.

c. Judge Newman dissented. App., *infra*, 30a-47a. In her view, "[t]he America Invents Act plainly contemplated that the new PTO tribunal would determine [the] validity of issued patents on the legally and factually correct claim construction, not on a hypothetical 'broadest' expedient as is used in examination of proposed claims in pending applications." *Id.* at 34a. Congress expressly created IPR, Judge Newman explained, to serve as an adjudicative "surrogate for district court litigation of patent validity," and it therefore is inconsistent with both the AIA and the sensible development of patent law to have different claim construction standards for agency and court proceedings. *Id.* at 30a-31a. Judge Newman further explained that the PTO lacks substantive rulemaking authority, but in any event she would not have deferred to the PTO regulation because it defeats Congress's purpose of "substituting administrative adjudication for district court adjudication." *Id.* at 45a.

With respect to the Board's decision to institute IPR, Judge Newman noted that the Board had exceeded its statutory authority and acted at odds with the plain terms of the AIA. She observed that the Board's institution decision "relies on arguments and evidence that had not been raised in the Petition to Institute, although the statute requires that all arguments and evidence must be presented in the Peti-

tion." App., *infra*, 31a. Criticizing the panel majority's "casual disregard of this statutory provision" and citing the presumption in favor of reviewability of agency action, Judge Newman concluded that Section 314(d) was intended to "control interlocutory delay and harassing filings" and does not preclude judicial review "of whether the statute was applied in accordance with its legislated scope." *Id.* at 31a, 46a.

2. Cuozzo filed a petition for rehearing en banc supported by numerous amici recognized as leaders in the field of intellectual property, including the Intellectual Property Owners Association, New York Intellectual Property Law Association, Pharmaceutical Research and Manufacturers of America, and some of America's leading inventive corporations (among them 3M, Caterpillar, Eli Lilly, General Electric, GlaxoSmithKline, Johnson & Johnson, Pfizer, Procter & Gamble, and Sanofi). Over a joint dissent by Chief Judge Prost and Judges Newman, Moore, O'Malley, and Reyna, as well as a separate dissent by Judge Newman, the court of appeals denied the petition for rehearing en banc by a vote of 6-5. In addition to urging rehearing, the dissenting judges would have rejected the Board's use of the broadest-reasonable-interpretation standard.

a. Judge Dyk (who authored the panel majority's decision), joined by Judges Lourie, Chen, and Hughes, concurred in the denial of rehearing. App., *infra*, 51a-52a. The concurrence reiterated the panel majority's reasoning that "[t]he PTO has applied the broadest reasonable interpretation standard in a variety of proceedings for more than a century," and "[n]othing in the [AIA] indicates congressional intent to change" that standard. *Id.* at 51a.

b. Chief Judge Prost and Judges Newman, Moore, O'Malley, and Reyna jointly dissented from the denial of rehearing. App., *infra*, 52a-61a. The joint dissent began by taking issue with the conclusion that Congress had "implicitly approved" the broadest-reasonable-interpretation standard. *Id.* at 53a (quoting *id.* at 18a). Observing the usual rule that "Congress' silence is just that—silence," *id.* at 53a (quoting *Cmty. for Creative Non-Violence* v. *Reid*, 490 U.S. 730, 749 (1989)), the joint dissent explained that the AIA created "a wholly novel procedure" and Congress's "[s]ilence has no meaning in this context." *Id.* at 54a. To the contrary, Congress wanted a "court-like proceeding" as "a far-reaching surrogate for district court validity determinations," *ibid.* (internal quotation marks omitted), and "[t]he panel majority fails to explain why Congress (or anyone else) would have thought it desirable or necessary for the Board to construe the claims during IPRs under a different legal framework than the one used by district courts," *id.* at 54a-55a.

The joint dissent also explained that "[the] background of existing law not only fails to support the conclusion drawn by the panel majority, [but] it points to the *opposite* result." App., *infra*, 55a (emphasis in original). Previous cases hold that "the broadest reasonable interpretation standard is a useful tool, *prior* to patent issuance, for clarifying the metes and bounds of an invention during the back-and-forth between the applicant and examiner when claims are not yet in their final form." *Ibid.* (collecting cases). By contrast, IPR proceedings are like district court litigation: "there is no back-and-forth between the patentee and examiner seeking to resolve claim scope ambiguity; there is no robust right to amend." *Id.* at

57a. IPR proceedings thus lack the "examinational hallmarks justifying the broadest reasonable interpretation standard in other contexts." *Ibid.*

Finally, the joint dissent disagreed that the PTO's regulation is entitled to *Chevron* deference. App., *infra*, 59a-61a. The joint dissent observed that the PTO has statutory authority "to prescribe *procedural* regulations" governing IPR proceedings—not the authority "to prescribe regulations on any issue that 'affects' decisions to institute or later proceedings." *Id.* at 59a-60a (emphasis in original). And even assuming the regulation were procedural, the joint dissent reasoned that "deference is still not warranted" because "the PTO's regulation [is] unreasonable." *Id.* at 60a. The joint dissent concluded that "in IPRs, as in district court litigation, an already issued claim is being analyzed solely for the purposes of determining its validity," and "it makes little sense to evaluate the claim against the prior art based on anything [other] than the claim's actual meaning." *Id.* at 61a.

c. Judge Newman separately dissented from the denial of rehearing. App., *infra*, 61a-67a. She noted "the extensive *amicus curiae* participation" at the rehearing stage. *Id.* at 61a; see *id.* at 62a-64a (summarizing amici's various arguments for rehearing the case, in light of the importance of the issues). After listing many of the reasons why the Board's standard is illogical and contrary to the AIA, *id.* at 65a-66a, Judge Newman concluded that the question of which claim construction standard should apply is "of powerful consequence," and, "[a]s urged by the *amici curiae*, it should be answered correctly." *Id.* at 67a.

REASONS FOR GRANTING THE PETITION

In 2011, Congress enacted the America Invents Act to reform the U.S. patent system. The Act's cornerstone is a new adjudicative proceeding called *inter partes* review (or IPR) that is designed as a quick and efficient alternative to district court litigation regarding the validity of patents. Over a dissent by Judge Newman, the panel majority fundamentally altered Congress's scheme by holding that the newly created Patent Trial and Appeal Board may use a different claim construction standard than federal courts or the International Trade Commission (ITC). To make matters worse, the panel majority held that even if the Board exceeds its statutory authority in instituting IPR proceedings, the Board's unlawful action is judicially unreviewable.

By a vote of 6-5, over a joint dissent by Chief Judge Prost and Judges Newman, Moore, O'Malley, and Reyna, as well as a separate dissent by Judge Newman, the Federal Circuit declined to rehear this case. But no one disputed the centrality of the issues presented here to the proper functioning of the AIA or the patent system as a whole. Patent challengers have filed thousands of IPR petitions, and the Board continues to invalidate patent claims at a robust rate—in part because the Board affords such claims their broadest reasonable interpretation, rather than their plain and ordinary meaning (as federal courts and the ITC do under *Phillips* v. *AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc)). The Board's standard introduces tremendous uncertainty into claim construction, allows for conflicting invalidity decisions, and undercuts Congress's central reform in the AIA. This Court's review is plainly warranted.

I. THE DECISION BELOW PRESENTS ISSUES OF EXCEPTIONAL IMPORTANCE.

The Federal Circuit has exclusive jurisdiction over appeals from the Board's decisions in IPR proceedings. See 35 U.S.C. 141(c). A divided panel of that court affirmed the Board's decision in this case, and the court then denied rehearing en banc by a vote of 6-5 over a joint dissent. As the panel and rehearing dissenters explained, the issues presented here are exceptionally important: they involve the operation of the new IPR system created by Congress and thus stand to affect the validity of any and all issued patents. In similar circumstances, this Court has granted review, see, *e.g.*, *Commil USA, LLC* v. *Cisco Sys., Inc.*, 135 S. Ct. 1920, 1925 (2015) (granting certiorari after Federal Circuit denied rehearing *en banc* over a dissent of five judges); *Highmark Inc.* v. *Allcare Health Mgmt. Sys., Inc.*, 134 S. Ct. 1744, 1748 (2014) (same), and it should do so again here.

A. Whether The Board Applies The Right Claim Construction Standard Is Critical To The Proper Operation Of The AIA And The Patent System.

1. The Patent Act requires that every patent "conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as his invention." 35 U.S.C. 112(b). The patent's claims define the invention and mark the scope of the patentee's right to exclude. See *Markman* v. *Westview Instruments, Inc.*, 517 U.S. 370, 372 (1996) (a claim is that "portion of the patent document that defines the scope of the patentee's rights"); *Phillips*, 415 F.3d at 1312 ("[T]he claims of a patent define the invention to

which the patentee is entitled the right to exclude.") (quoting *Innova/Pure Water, Inc.* v. *Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1115 (Fed. Cir. 2004)).

The rules of claim construction are thus fundamental to patent law, both in terms of the nature of claims that will issue and the devices that will be deemed to infringe. Claim construction plays an important role in virtually every patent case because it is central to evaluating validity and infringement. See *In re Papst Licensing Digital Camera Patent Litig.*, 778 F.3d 1255, 1261 (Fed. Cir. 2015) ("The infringement inquiry * * * depends on the proper construction of the claims."); see also Peter S. Menell, Matthew D. Powers & Steven C. Carlson, *Patent Claim Construction: A Modern Synthesis and Structured Framework*, 25 Berkeley Tech. L.J. 711, 714 (2010) ("The construction of patent claims * * * is central to the evaluation of infringement and validity, and can affect or determine the outcome of other significant issues such as unenforceability, enablement, and remedies.").

Because of the centrality of claim construction to patent adjudication, this Court granted certiorari last Term to clarify the standard of review for factual findings made during the course of claim construction. See *Teva Pharm. USA, Inc.* v. *Sandoz, Inc.*, 135 S. Ct. 831, 836 (2015). As explained below, the question of what claim construction standard applies in IPR proceedings stands to be dispositive in at least as many cases (and with respect to at least as many patent claims) as the standard of review applicable on appeal in patent litigation.

2. The applicable claim construction standard is just as important in IPR proceedings as in district court litigation. See App., *infra*, 67a (Newman, J.,

dissenting) (noting that the question is "of powerful consequence"). The AIA created IPR as a "quick and cost effective alternative[] to litigation." H.R. Rep. No. 112-98, at 48; see *id.* at 40 (AIA "establish[es] a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs."). Congress believed that an adversarial proceeding before an expert agency body, the Patent Trial and Appeal Board, could "reliably resolve most issues of patent validity, without the expense and delay of district court litigation." App., *infra*, 32a (Newman, J., dissenting).

The effect of IPR has been to shift validity disputes from district courts to the Board in an increasing number of cases. Although the PTO estimated that approximately 460 IPR petitions would be filed annually, the actual number was approximately 1,500 last year. See Changes to Implement Inter Partes Review Proceedings, Post-Grant Review Proceedings, and Transitional Program for Covered Business Method Patents, 77 Fed. Reg. 48,724 (Aug. 14, 2012); U.S. Patent and Trademark Office, Patent Trial and Appeal Board Statistics 8/31/2015, http://www.uspto.gov/sites/default/files/documents/2015-08-31%20PTAB.pdf (last visited Oct. 6, 2015) (PTO Statistics). Since September 2012 when the AIA took effect, the PTO has received more than 3,400 petitions. *Ibid.*

Moreover, because Congress established IPR as a streamlined alternative to district court litigation, the Board has already completed at least 482 IPR trials, with 409 (or nearly 85%) ending in the cancellation of some or all of the patent claims under review. See PTO Statistics. The high cancellation rate owes in part to the Board's use of the broadest-reasonable-interpretation standard. See Paul R. Michel, *Why*

Rush Patent Reform?, 7 Landslide 49, 51 (2015) ("The new reality for patent owners is also that reviews are held under circumstances and regulations unfavorable to owners: The [Board] applies the 'broadest reasonable construction,' rather than the 'correct construction' applied by courts."); Gregory Dolin, *Dubious Patent Reform*, 56 B.C. L. Rev. 881, 916 (2015) (noting that differing claim construction standards "make it much easier for the patent challenger to prevail" in trials before the Board). And, of course, the more patent claims the Board invalidates, the more likely challengers are to file. See Neil C. Jones, *The Five Most Publicized Patent Issues Today*, Bus. L. Today (May 2014).

By any measure, the Board—and the claim construction standard it employs—is having a tremendous and immediate impact on the U.S. patent system and the rights of patent owners. See Aashish Kapadia, Inter Partes *Review: A New Paradigm in Patent Litigation*, 23 Tex. Intell. Prop. L. J. 113, 115 (2015) ("[T]he IPR proceeding has rapidly grown into a necessary option for patent owners and challengers alike. The [Board] is the premier tribunal for patent issues."). That effect will only grow in the future as more patent challengers initiate IPR proceedings.

3. The Federal Circuit's adoption of a different claim construction standard for IPR proceedings than for patent litigation will result in a number of harmful consequences. Among them, it will inject uncertainty into the post-issuance review of patent claims, and lead to conflicting decisions between the Board and federal courts on claims that include similar phrases, concepts, or language. Those consequences should not come to pass without this Court's plenary review.

a. Under the AIA, a patent challenger may elect to file either a federal lawsuit or an IPR petition, meaning that either district courts or the Board may decide whether patent claims are invalid pursuant to "[S]ection 102 [novelty] or 103 [obviousness]." 35 U.S.C. 311(b). There is no sound reason for courts and the Board to apply different claim construction standards in determining validity under those statutory provisions, depending on where a challenger chooses to file. As the joint dissenters observed, "[t]he panel majority fails to explain why Congress (or anyone else) would have thought it desirable or necessary for the Board to construe the claims during IPRs under a different legal framework than the one used by district courts." App., *infra*, 54a-55a. Or as Judge Newman put it in her dissent, "[i]t is unacceptable to create a situation whereby the tribunals charged with determination of patent validity as a matter of law, that is, the [Board] and the district court, could validly reach a different result on the same evidence." *Id.* at 43a.

In *Markman*, this Court identified the "importance of uniformity in the treatment of a given patent" as a "reason to allocate all issues of construction" to courts rather than juries. 517 U.S. at 390. The decision below obviously prevents such uniformity. A patent claim could be declared valid by a district court under the *Phillips* plain-and-ordinary-meaning standard, but invalid by the Board when it construes the claim more broadly and thereby captures more prior art. As a result, patentees can no longer rely on the finality of district court adjudication. By allowing the choice of tribunal to affect the validity determination, the decision below deprives patent owners of valuable

property rights, creates substantial uncertainty, and is an invitation to gamesmanship.[3]

b. The panel majority's decision also creates inconsistency in how patent claims are construed for validity versus infringement, violating the fundamental principle of patent law that "claims must be interpreted and given the same meaning for purposes of both validity and infringement analyses." *SmithKline Diagnostics, Inc.* v. *Helena Labs. Corp.*, 859 F.2d 878, 882 (Fed. Cir. 1988). The broadest-reasonable-interpretation standard in IPR proceedings forces patentees to defend claims broader in scope than what they could assert in infringement actions. In other words, patentees in IPR proceedings are compelled to defend validity against prior art that might not be relevant to the same claims in district court infringement litigation. As Judge Newman emphasized, "no precedent [and] no practical reality[] authorizes or tolerates a broader construction" for validity than for infringement. App., *infra*, 65a.

B. Whether The Board May Freely Exceed Its Statutory Authority In Instituting IPR Is Likewise Critical To The Proper Operation Of The AIA And The Patent System.

In the AIA, Congress created three new adversarial administrative proceedings in which the Board adjudicates challenges to the validity of issued patents:

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[3] The Board stands alone as an adjudicatory forum that does not apply the *Phillips* standard. The ITC is authorized to investigate the importation of goods that infringe a U.S. patent. See 19 U.S.C. 1337. In determining patent infringement, the ITC uses the same claim construction standard as federal courts. See *Kyocera Wireless Corp.* v. *Int'l Trade Comm'n*, 545 F.3d 1340, 1346 (Fed. Cir. 2008).

inter partes review (which is at issue in this case), post-grant review, and transitional post-grant review, also known as "covered business method" or "CBM" review. See 35 U.S.C. 311-319, 321-329; AIA 18(a)-(d), 125 Stat. at 329-331. Post-grant review is available for recently issued patents during the first nine months after issuance (whereas IPR governs older patents and review of newer patents outside the nine-month window). See 35 U.S.C. 321(c). CBM review is a temporary program (sunsetting in 2020) that allows challenges to patents of a financial product or service by those who have been sued or charged with infringement. See AIA 18(a)-(d), 125 Stat. at 329-331. All three types of adjudication are procedurally similar: the Board decides whether to institute the proceeding in response to a patent challenger's petition, and if so, then it conducts a trial-like proceeding and issues a final written decision as to patentability.

As the PTO already has acknowledged in the CBM context, the reviewability of the Board's institution decisions is a "question of tremendous prospective importance" that will affect "countless future appeals." PTO Petition for Rehearing En Banc at 5 & n.1, *Versata Dev. Grp., Inc.* v. *SAP Am., Inc.*, 793 F.3d 1306 (Fed. Cir. 2015) (No. 2014-1194) (PTO Reh'g Pet.); *id.* at 1 (referring to the issue as a "precedent-setting question of exceptional importance" and a "threshold jurisdictional question of surpassing prospective importance"). The AIA's new post-issuance patent review procedures have proven extremely popular, and "appeals from such proceedings constitute a growing portion of the [Federal Circuit's] docket." *Ibid.*; see *id.* at 14.

Moreover, the Federal Circuit has issued directly conflicting decisions on the reviewability question.

The divided panel held in this case—over Judge Newman's dissent—that the Board's decision to institute is *not* reviewable even upon conclusion of the IPR, because the AIA provides that "[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable." 35 U.S.C. 314(d). Just a day later, a divided panel held in *Versata*—over Judge Hughes' partial dissent—that the Board's decision to institute a CBM proceeding *is* reviewable, even though the AIA provides in identical language that "[t]he determination by the Director whether to institute a [CBM] post-grant review under this section shall be final and nonappealable." 35 U.S.C. 324(e); see *Versata*, 793 F.3d at 1323.

The panel majority in *Versata* thus rejected the PTO's argument that, even if the Board had exceeded its statutory authority in instituting CBM, the Board's action could not be reviewed. The *Versata* panel majority explained that there is a strong presumption in favor of the reviewability of agency action, and "nothing in [Section] 324(e) meets the high standard for precluding review of whether the PTAB has violated a limit on its invalidation authority." 793 F.3d at 1320. As Judge Hughes observed, the decision in *Versata* "directly conflicts" with the panel's decision in this case. *Id.* at 1341 (concurring in part and dissenting in part) ("The majority's interpretation of [Section] 324(e) to permit review of whether Versata's patent is a 'covered business method patent' directly conflicts with our precedential decision in *In re Cuozzo Speed Technologies, LLC.*").

Since *Versata*, the Federal Circuit has only deepened the confusion. In *Achates Reference Publ'g, Inc.* v. *Apple Inc.*, No. 2014-1767, 2015 WL 5711943, at *1

(Fed. Cir. Sept. 30, 2015), the patentee argued that the Board had exceeded its statutory authority to institute IPR because the petitions were time-barred by 35 U.S.C. 315(b). As in *Cuozzo*, the panel held that the AIA bars all review of the Board's institution decisions. *Id.* at *7. The panel tried to distinguish *Versata* as "limited to the unique circumstances of [CBM review]," but it acknowledged that the statutory provisions governing review of IPR and CBM institution determinations are "identically worded." *Id.* at *5, *3. Taken together, *Cuozzo*, *Versata*, and *Achates* leave patentees, petitioners, and the PTO uncertain what issues they should brief and what questions the Federal Circuit views itself authorized to decide.

The PTO therefore has filed a rehearing petition in *Versata* (as has the patentee), arguing that the "clear conflict" between *Versata* and this case "casts a long shadow of uncertainty over the scope of [the Federal Circuit's] review, leaving both private parties and the PTO at a loss to predict what questions the [Federal Circuit] will agree to decide in an increasingly important category of appeals." PTO Reh'g Pet. 2, 5; see also *id.* at 14-15 (explaining that the conflict "casts a pall of uncertainty over all of the new AIA proceedings"). The PTO is absolutely right. Whether the Federal Circuit can review claims that the Board exceeded its statutory authority has "serious consequences for the PTO and parties in the new AIA review proceedings." *Id.* at 4. This Court should grant review to resolve the uncertainty surrounding the reviewability of the Board's decisions and to restore the limits that Congress imposed on the Board's authority to institute post-issuance proceedings.

The PTO's pending rehearing petition in *Versata* is no reason to deny review. Although its intervening

decision in *Achates* suggests the Federal Circuit will deny rehearing, no matter what the Federal Circuit opts to do, the reviewability of the Board's decisions has divided that court's judges, who have aired the merits of both sides in their respective opinions. Given the clear importance of the issue, this Court's review will be needed at some point, and there is no reason to await a further headcount of the court of appeals. This case is an excellent vehicle that would allow the Court to resolve both the scope of the Federal Circuit's jurisdiction and the claim construction standard that applies in IPR proceedings. And even if this Court were inclined to stay its hand on the reviewability question, it nevertheless should grant the claim construction question, which is entirely separate and independently merits review.[4]

II. THE DECISION BELOW IS INCORRECT.

A. The Panel Majority Erred In Holding That The Board May Give Patent Claims Their Broadest Reasonable Interpretation, Rather Than Their Ordinary Meaning.

1. The broadest-reasonable-interpretation protocol is an examination expedient justified by the applicant's liberal right to amend claims.

The Federal Circuit has previously recognized that the broadest-reasonable-interpretation protocol "is solely an examination expedient, and is not a rule of

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[4] If the Court is not inclined to decide the questions presented here, it should hold this petition pending the Federal Circuit's decision whether to grant rehearing in *Versata*. If the Federal Circuit grants rehearing, this Court should grant, vacate, and remand for further consideration in light of the *en banc* decision.

claim construction." *In re Skvorecz*, 580 F.3d 1262, 1267 (Fed. Cir. 2009). When examining a patent application, examiners use the broadest reasonable interpretation as a tool to "facilitate exploring the metes and bounds to which the applicant may be entitled, and thus to aid in sharpening and clarifying the claims during the application stage, when claims are readily changed." *Ibid*; see U.S. Patent and Trademark Office, Manual of Patent Examining Procedure § 2111 (9th ed., Mar. 2014) (PTO Manual). Using such a broad construction of proposed claim language typically leads to a back-and-forth between examiner and applicant with repeated and frequent amendment of claim language. The right to amend is absolute; the PTO's permission is not required while the application is pending. See App., *infra*, 58a (joint dissent) (noting that claims are "readily" amended during the examination process).

If the examiner rejects the broadest reasonable interpretation of a proposed claim as unpatentable, the applicant may freely narrow the claim by amendment or by advancing limiting arguments that become part of the prosecution history. It is the applicant's right to amend its claims, as part of the "give-and-take between applicant and examiner," that "justifies use of the broadest reasonable interpretation standard." App., *infra*, 55a (joint dissent). The Federal Circuit has said the same thing numerous times. *See, e.g.*, *Burlington Indus., Inc.* v. *Quigg*, 822 F.2d 1581, 1583 (Fed. Cir. 1987) ("Patent application claims are given their broadest reasonable interpretation during examination proceedings, for the simple reason that before a patent is granted the claims are readily amended as part of the examination process."); *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984) (same); *In re*

Prater, 415 F.2d 1393, 1404-1405 (C.C.P.A. 1969) (same).

By contrast, the PTO has never used the broadest-reasonable-interpretation protocol in post-issuance proceedings where the patentee lacks the liberal right to amend at its own discretion. For instance, in reexamination proceedings involving claims of expired patents, the PTO does not afford claims their broadest reasonable interpretation because the patentee is unable to amend. See PTO Manual § 2258G ("In a reexamination proceeding involving claims of an expired patent, claim construction pursuant to the principle set forth by the court in *Phillips* * * * should be applied since the expired claim[s] are not subject to amendment."); *In re Rambus, Inc.*, 753 F.3d 1253, 1256 (Fed. Cir. 2014). In such reexamination proceedings, the PTO has instructed examiners to use the same standard as district courts by giving patent claims their ordinary meaning.[5]

2. Congress established an adjudicative proceeding with no right to amend.

In the AIA, Congress converted the then-existing system of "*inter partes* reexamination from an exami-

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[5] Applying the same logic, the PTO recently proposed a rule change for AIA proceedings involving claims of a patent that will expire prior to the Board's issuance of a final written decision. The PTO conceded that the application of a "*Phillips*-type claim construction" for soon-to-expire patents was appropriate because "[s]uch patents essentially lack any viable opportunity to amend the claims in an AIA proceeding." Amendments to the Rules of Practice for Trials Before the Patent Trial and Appeal Board, 80 Fed. Reg. 50,722 (Aug. 20, 2015). The Board elected to continue applying a broadest-reasonable-interpretation standard to all other patent claims.

national to an adjudicative proceeding, and rename[d] the proceeding '*inter partes* review.'" H.R. Rep. No. 112-98, at 46-47. IPR is intended to serve as a quick and cost-effective "surrogate for district court validity determinations." App., *infra*, 32a (Newman, J., dissenting); see *id.* at 54a-55a (joint dissent). IPR proceedings are fundamentally adversarial and adjudicative: the patentee and challenger can obtain discovery, submit briefs, and participate in an oral hearing before a panel of administrative patent judges, who preside over the trial and issue a final written decision. As the Board itself has recognized, "*inter partes* review is neither a patent examination nor a patent reexamination," but is "a trial, adjudicatory in nature." *Google Inc.* v. *Jongerius Panoramic Techs., LLC*, IPR2013-00191, Paper No. 50, at 4 (Feb. 13, 2014).

Because IPR proceedings are adjudicative rather than examinational, "there is no back-and-forth between the patentee and examiner seeking to resolve claim scope ambiguity; there is no robust right to amend." App., *infra*, 57a (joint dissent). Indeed, patentees do not have any right to amend their claims, but must instead seek permission of the Board—permission that in practice has not regularly been granted. Even then, patentees are limited to one "motion to amend," with additional motions allowed only to "materially advance the settlement of a proceeding" or "as permitted by regulations prescribed by the Director." 35 U.S.C. 316(d). The motion is presumptively limited to substituting one amended claim for one challenged claim, and the motion may be denied if the amendment "does not respond to a ground of unpatentability involved in the trial" or "seeks to enlarge the scope of the claims of the patent

or introduce new subject matter." 37 C.F.R. 42.121(a).

As the joint dissent explained, Congress established a system that lacks the "examinational hallmarks justifying the broadest reasonable interpretation standard in other contexts" and that bears "similarities to district court litigation." App., *infra*, 57a. In IPR proceedings, as in district court litigation, the goal is to determine the patent's validity—*i.e.*, "what a patent *actually* claims." *Id.* at 56a (joint dissent) (emphasis in original). "In [that] context, it makes little sense to evaluate the claim against the prior art based on anything [other] than the claim's actual meaning," and "[t]he panel majority fails to explain why Congress (or anyone else) would have thought it desirable or necessary for the Board to construe the claims during IPRs under a different legal framework than the one used by district courts." *Id.* at 54a-55a, 61a (joint dissent).

3. The PTO's regulation is invalid.

The panel majority relied in the alternative on a regulation promulgated by the PTO that directs the Board to give claims their "broadest reasonable construction" rather than their "ordinary and customary meaning." 37 C.F.R. 42.100(b). For the reasons given by the joint dissent, see App., *infra*, 59a-61a, that regulation is not entitled to any deference. The PTO lacks the power—both generally under the Patent Act and specifically under the AIA—to prescribe substantive rules. See *id.* at 59a; *Cooper Techs. Co.* v. *Dudas*, 536 F.3d 1330, 1335-1336 (Fed. Cir. 2008). The PTO thus cannot, under the guise of issuing procedural rules, change the law of how patent claims are construed. In any event, far from being a reasonable in-

terpretation of the AIA, the PTO's regulation is manifestly unreasonable, including because it defeats Congress's purpose of substituting administrative adjudication for district court adjudication.

B. The Panel Majority Erred In Holding That, Even If The Board Exceeds Its Statutory Authority In Instituting IPR, The Board's Unlawful Action Is Unreviewable.

The AIA does not allow interlocutory review of institution determinations, but it does permit review as part of the plenary appeal from the Board's final written decision, particularly in light of the strong presumption favoring judicial review. Even assuming that Congress intended to bar any review of the Board's institution determinations, the panel majority ignored that courts have drawn a narrow exception for review of agency action that, as here, violates clear statutory limits.

1. Under the AIA, *inter partes* review is an adversarial proceeding that the Board may institute only on the basis of the parties' submissions. The Act requires an IPR petition to identify with particularity "the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim." 35 U.S.C. 312(a)(3). The patentee has "the right to file a preliminary response to the petition * * * that sets forth reasons why no inter partes review should be instituted based upon the failure of the petition to meet any requirement of this chapter." 35 U.S.C. 313. The Board then may institute IPR only upon "determin[ing] that the information presented in the petition * * * and any response * * * shows that there is a reasonable likelihood that the petitioner would prevail with respect

to at least 1 of the claims challenged in the petition." 35 U.S.C. 314(a).

The statutory text could hardly be clearer. A petitioner is required to present "the grounds on which the challenge to each claim is based, and the evidence that supports [those] grounds." 35 U.S.C. 312(a)(3). The Board then must determine whether *that* information (along with any corresponding information in a response) warrants instituting an IPR proceeding, see 35 U.S.C. 314(a), much as a district court in patent litigation has to determine from the parties' pleadings whether to dismiss the case or allow it to proceed. The Board is not authorized to invalidate patents on the basis of prior art it collects or arguments it devises. When the Board does so, it deprives the patentee—which already has filed its response addressing the petition—of the opportunity to explain why the Board's newfound evidence or argument does not warrant IPR. See App., *infra*, 31a (Newman, J., dissenting).

2. The decision below incorrectly holds that, even if the Board exceeds its statutory authority in instituting IPR, the Board's unlawful action is unreviewable. In other words, the Board may freely expand its authority to invalidate a patentee's property rights, without any judicial oversight. The panel majority relied on 35 U.S.C. 314(d), which provides that the Director's determination "whether to institute an inter partes review under this section shall be final and nonappealable." But as the panel majority recognized, the Federal Circuit had previously held that Section 314(d) prevents an *interlocutory* appeal of the PTO's institution decision. See App., *infra*, 6a (citing *St. Jude Med., Cardiology Div., Inc.* v. *Volcano Corp.*, 749 F.3d 1373, 1375-1376 (Fed. Cir. 2014)); *id.* at 46a

(Newman, J., dissenting). The AIA's bar on interlocutory appeals makes complete sense because the Board is normally required to complete IPR proceedings within one year. See 35 U.S.C. 316(a)(11).

The AIA separately provides for appellate review of the Board's final written decision, see 35 U.S.C. 141(c), 319, and those are the provisions Cuozzo invoked when it appealed at the end of the IPR proceeding. In such an appeal, nothing should bar a party from arguing that the Board's final written decision must be set aside because the proceeding was improperly instituted. In normal patent litigation, a party may appeal to the Federal Circuit on the ground that the district court lacked jurisdiction or erred in failing to grant a motion to dismiss. There is no reason for a different rule when a party appeals to the Federal Circuit from a final decision in an IPR proceeding. The panel majority reasoned that declaring the decision to institute "final," as Section 314(d) does, "cannot reasonably be interpreted as postponing review until after issuance of a final decision on patentability." App., *infra*, 7a. But of course it can. Section 314(d) can easily be read as saying that the PTO's determination is "final and nonappealable" *at the time it is made*—not forever more.

Indeed, Section 314(d) must be read that way in light of the "strong presumption that Congress intends judicial review of administrative action." *Bowen* v. *Mich. Acad. of Family Physicians*, 476 U.S. 667, 670 (1986). Although Judge Newman pointed to that presumption in her dissent, see App., *infra*, 46a, the panel majority did not address it. When Congress provided for judicial review of the Board's final written decisions, it did so for "[any] party to an inter partes review * * * who is dissatisfied with the final

written decision of the Patent Trial and Appeal Board," 35 U.S.C. 141(c), without placing any limits on the grounds for a party's dissatisfaction. Section 141(c) and 314(d) can be interpreted *in pari materia* to permit appeals from IPR proceedings that mirror appeals from district court patent litigation—*i.e.*, appeals that occur only at the conclusion of IPR proceedings but in which parties are not limited in their substantive challenges. Because Sections 141(c) and 314(d) can be read that way, they should be read that way.

3. Even assuming that Congress intended Section 314(d) to bar any review of the Board's institution decisions, the panel majority ignored that "courts have recognized an 'implicit and narrow' exception" to such statutory bars "for agency action that plainly violates an unambiguous statutory mandate." *Versata*, 793 F.3d at 1342 (Hughes, J., concurring in part and dissenting in part) (collecting cases, including *Leedom* v. *Kyne*, 358 U.S. 184 (1958)).

Section 314(d) would continue to bar appeals contending that the Board, in weighing "the information presented in the petition * * * and any response," erred in finding "a reasonable likelihood that the petitioner would prevail with respect to at least [one] of the claims challenged in the petition." 35 U.S.C. 314(a). But Section 314(d) may not bar appeals that the Board ignored limits on its own statutory authority, including the requirement that the Board base its institution decision on the parties' submissions rather than its own research or theories. Although "[a]n agency may not finally decide the limits of its own statutory power," *Soc. Sec. Bd.* v. *Nierotko*, 327 U.S. 358, 369 (1946), the panel majority instead gave the Board free license to ignore the AIA's limits on its in-

stitution authority. See App., *infra*, 31a (Newman, J., dissenting) ("Such casual disregard of this statutory provision cannot have been intended.").

III. THIS CASE IS AN IDEAL VEHICLE TO RESOLVE THE DIVISIONS IN THE FEDERAL CIRCUIT.

The Federal Circuit is deeply divided on the claim construction standard that should apply in IPR proceedings. The five dissenting judges authored a joint dissent, and Judge Newman dissented separately, concluding that "[t]his is a simple question, although of powerful consequence," and "it should be answered correctly." App., *infra*, 67a. The division within the Federal Circuit on the issue is a foundational one, stemming from disagreement over the background understanding when Congress enacted the AIA. Compare *id.* at 51a (concurrence in the denial of rehearing), with *id.* at 54a-55a (joint dissent from that denial). Only this Court can definitively settle the debate.

This case presents an ideal opportunity to do so. There is no question that, applying the broadest-reasonable-interpretation rule in the PTO's regulation, the Board invalidated three claims in Cuozzo's patent. Cuozzo challenged the use of that standard on appeal, and the issue was addressed directly and extensively in multiple opinions at both the panel and rehearing stages. There is likewise no question that, over Cuozzo's objection and Judge Newman's dissent, the panel majority declined to review the Board's decision to institute IPR, even if that decision was unlawful under the AIA. Both issues are legal ones. Delaying review would allow hundreds or even thousands of additional patent claims to be invalidated un-

der the wrong standard, not to mention that some of those IPR proceedings should never have been instituted in the first place.

Although there are bills pending in Congress to abrogate the PTO's regulation and the decision below, those bills are not close to enactment. See App., *infra*, 65a n.1 (Newman, J., dissenting) ("Corrective legislation * * * has stalled because of unrelated areas of controversy."); *Experts Unsure of Path Patent Reform Legislation Will Take*, Commc'ns Daily, Sept. 8, 2015 ("HR-9 [the House bill] was placed on the House schedule but removed before legislators' August recess, and S-1137 [the Senate bill] hasn't been assigned floor time in the full Senate."); see also Innovation Act, H.R. 9, 114th Cong. § 9(b)(1)(C) (2015); Patent Act, S. 1137, 114th Cong. § 11(a)(4)(A)(vii) (2015); STRONG Patents Act of 2015, S. 632, 114th Cong. § 102(a) (2015).

The speculative possibility that Congress could eventually pass legislation to correct the PTO's error should not prevent review. This Court has often granted certiorari in patent cases despite the indefinite prospect of corrective legislation. See, *e.g.*, Br. in Opp. at 11, *Highmark Inc.* v. *Allcare Health Mgmt. Sys. Inc.*, 134 S. Ct. 1744 (2014) (No. 12-1163) (noting pending legislation); Br. in Opp. at 33, *Microsoft Corp.* v. *i4 Ltd. P'ship*, 131 S. Ct. 2238 (2011) (No. 10-290) (same); Br. in Opp. at 13-15, *Metro-Goldwyn-Mayer Studios Inc.* v. *Grokster, Ltd.*, 545 U.S. 913 (2005) (No. 04-480) (same). Petitioner respectfully submits that the same course is warranted here.

CONCLUSION

For the reasons set forth above, the petition for a writ of certiorari should be granted.

Respectfully submitted.

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APPENDIX A

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

IN RE: CUOZZO SPEED TECHNOLOGIES, LLC,
Appellant

2014-1301

Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2012-00001.

Decided: July 8, 2015

Before NEWMAN, CLEVENGER, and DYK, *Circuit Judges*.

Opinion for the court filed by *Circuit Judge* DYK.

Dissenting opinion filed by *Circuit Judge* NEWMAN.

DYK, *Circuit Judge*.

Cuozzo Speed Technologies ("Cuozzo") owns U.S. Patent No. 6,778,074 (the "'074 patent"). Garmin International, Inc. and Garmin USA, Inc. (collectively,

"Garmin") petitioned the United States Patent and Trademark Office ("PTO") for inter partes review ("IPR") of claims 10, 14, and 17 of the '074 patent. The PTO granted Garmin's petition and instituted IPR. The Patent Trial and Appeal Board (the "Board") timely issued a final decision finding claims 10, 14, and 17 obvious. The Board additionally denied Cuozzo's motion to amend the '074 patent by substituting new claims 21, 22, and 23 for claims 10, 14, and 17.

Contrary to Cuozzo's contention, we hold that we lack jurisdiction to review the PTO's decision to institute IPR. We affirm the Board's final determination, finding no error in the Board's claim construction under the broadest reasonable interpretation standard, the Board's obviousness determination, and the Board's denial of Cuozzo's motion to amend.

BACKGROUND

Cuozzo is the assignee of the '074 patent, entitled "Speed Limit Indicator and Method for Displaying Speed and the Relevant Speed Limit," which issued on August 17, 2004. The '074 patent discloses an interface which displays a vehicle's current speed as well as the speed limit. In one embodiment, a red filter is superimposed on a white speedometer so that "speeds above the legal speed limit are displayed in red while the legal speeds are displayed in white " *Id.* col. 5 ll. 35–37. A global positioning system ("GPS") unit tracks the vehicle's location and identifies the speed limit at that location. The red filter automatically rotates when the speed limit changes, so that the speeds above the speed limit at that loca-

tion are displayed in red. The patent also states that the speed limit indicator may take the form of a colored liquid crystal display ("LCD"). *Id.* col. 3 ll. 4–6, col. 6 ll. 11–14. In claim 10, the independent claim at issue here, a colored display shows the current speed limit, and the colored display is "integrally attached" to the speedometer. *Id.* col. 7 l. 10.

Claim 10 recites:

> A speed limit indicator comprising:
> a global positioning system receiver;
> a display controller connected to said global positioning system receiver, wherein said display controller adjusts a colored display in response to signals from said global positioning system receiver to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location; and
> a speedometer integrally attached to said colored display.

Id. col. 7 ll. 1–10. Claim 14 is addressed to "[t]he speed limit indicator as defined in claim 10, wherein said colored display is a colored filter." *Id.* col. 7 ll. 23–24. Claim 17 recites: "[t]he speed limit indicator as defined in claim 14, wherein said display controller rotates said colored filter independently of said speedometer to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location." *Id.* col. 8 ll. 5–9.

On September 16, 2012, Garmin filed a petition with the PTO to institute IPR of, *inter alia*, claims 10, 14, and 17 the '074 patent. Garmin contended that

claim 10 was invalid as anticipated under 35 U.S.C. § 102(e) or as obvious under 35 U.S.C. § 103(a) and that claims 14 and 17 were obvious under § 103(a). The PTO instituted IPR, determining that there was a reasonable likelihood that claims 10, 14, and 17 were obvious under § 103 over (1) U.S. Patent Nos. 6,633,811 ("Aumayer"), 3,980,041 ("Evans"), and 2,711,153 ("Wendt"); and/or (2) German Patent No. 197 55 470 ("Tegethoff"), U.S. Patent No. 6,515,596 ("Awada"), Evans, and Wendt. Although Garmin's petition with respect to claim 17 included the grounds on which the PTO instituted review, the petition did not list Evans or Wendt for claim 10 or Wendt for claim 14.

In its subsequent final decision, the Board explained that "[a]n appropriate construction of the term 'integrally attached' in independent claim 10 is central to the patentability analysis of claims 10, 14, and 17." J.A. 7. The Board applied a broadest reasonable interpretation standard and construed the term "integrally attached" as meaning "discrete parts physically joined together as a unit without each part losing its own separate identity." J.A. 9. The Board found that claims 10, 14, and 17 were unpatentable as obvious under 35 U.S.C. § 103 (1) over Aumayer, Evans, and Wendt; and, alternatively, (2) over Tegethoff, Awada, Evans, and Wendt.

The Board also denied Cuozzo's motion to amend the patent by replacing claims 10, 14, and 17 with substitute claims 21, 22, and 23. The Board's denial of the

motion to amend centered on proposed claim 21.[1] Claim 21 would have amended the patent to claim "a speedometer integrally attached to [a] colored display, wherein the speedometer comprises a liquid crystal display, and wherein the colored display is the liquid crystal display." J.A. 357–58. The Board rejected the amendment because (1) substitute claim 21 lacked written description support as required by 35 U.S.C. § 112, and (2) the substitute claims would improperly enlarge the scope of the claims as construed by the Board.

Cuozzo appealed. The PTO intervened, and we granted Garmin's motion to withdraw as appellee.[2] We have jurisdiction to review the Board's final decision under 28 U.S.C. § 1295(a)(4)(A).

DISCUSSION

I

IPRs proceed in two phases. *St. Jude Med., Cardiology Div., Inc. v. Volcano Corp.*, 749 F.3d 1373, 1375–76 (Fed. Cir. 2014). In the first phase, the PTO determines whether to institute IPR. In the second phase, the Board conducts the IPR proceeding and issues a final decision. *Id.*

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[1] The parties do not separately address claims 22 and 23 and apparently agree that the motion for leave to amend on those claims presents the same issues as claim 21.

[2] Garmin filed a motion to withdraw because it agreed not to participate in any appeal of the IPR written decision as part of a settlement agreement with Cuozzo.

Cuozzo argues that the PTO improperly instituted IPR on claims 10 and 14 because the PTO relied on prior art that Garmin did not identify in its petition as grounds for IPR as to those two claims (though the prior art in question was identified with respect to claim 17). Under the statute, any petition for IPR must "identif[y] with particularity the grounds on which the challenge to each claim is based " 35 U.S.C. § 312(a)(3). Cuozzo argues that the PTO may only institute IPR based on grounds identified in the petition because "[t]he Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition and any response shows that there is a reasonable likelihood that the petitioner would prevail " *Id.* § 314(a).

Section 314(d) is entitled "No appeal" and provides that "[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable." 35 U.S.C. § 314(d). The PTO argues that § 314(d) precludes review of a determination to institute IPR. Cuozzo argues that § 314(d) does not completely preclude review of the decision to institute IPR, but instead merely postpones review of the PTO's authority until after the issuance of a final decision by the Board.

We have previously addressed § 314(d) and have held that it precludes interlocutory review of decisions whether to institute IPR. In *St. Jude*, we characterized § 314(d) as a "broadly worded bar on appeal" and held that § 314(d) "certainly bars" interlocutory review of the PTO's denial of a petition for IPR. 749 F.3d at 1375–76. This result was supported by § 319,

which "authorizes appeals to this court only from 'the final written decision of the [Board] '" *Id.* at 1375 (quoting 35 U.S.C. § 319) (alteration in original). Similarly, the bar to interlocutory review is supported by 35 U.S.C. § 141(c), which "authorizes appeal only by 'a party to an inter partes review who is dissatisfied with the final written decision of the [Board] under section 318(a).'" *Id.* (quoting 35 U.S.C. § 141(c)) (alterations in original). But while we stated that § 314 "may well preclude all review by any route," we did not decide the issue. *Id.* at 1376.

We conclude that § 314(d) prohibits review of the decision to institute IPR even after a final decision. On its face, the provision is not directed to precluding review only before a final decision. It is written to exclude all review of the decision whether to institute review. Section 314(d) provides that the decision is both "nonappealable" and "final," i.e., not subject to further review. 35 U.S.C. § 314(d). A declaration that the decision to institute is "final" cannot reasonably be interpreted as postponing review until after issuance of a final decision on patentability. Moreover, given that § 319 and § 141(c) already limit appeals to appeals from final decisions, § 314(d) would have been unnecessary to preclude non-final review of institution decisions. Because § 314(d) is unnecessary to limit interlocutory appeals, it must be read to bar review of all institution decisions, even after the Board issues a final decision. Nor does the IPR statute expressly limit the Board's authority at the final decision stage to the grounds alleged in the IPR petition. It simply authorizes the Board to issue "a final written decision with respect to the patentability of any patent

claim challenged by the petitioner and any new claim added under section 316(d)." 35 U.S.C. § 318(a).

Our decision in *In re Hiniker Co.*, 150 F.3d 1362, 1367 (Fed. Cir. 1998), confirms the correctness of the PTO's position here. There, even absent a provision comparable to § 314(d),[3] we held that a flawed decision to institute reexamination under 35 U.S.C. § 303 was not a basis for setting aside a final decision. *Hiniker*, 150 F.3d at 1367. Under the statute at issue in *Hiniker*, reexamination could only be instituted if the Commissioner determined that there was "a substantial new question of patentability," i.e., new prior art not considered by the examiner. 35 U.S.C. § 303(a) (1994). In *Hiniker*, the PTO instituted reexamination based on prior art considered in the original examination (Howard). *Hiniker*, 150 F.3d at 1365. But the PTO's final decision relied on East (which had not been before the examiner in the initial examination) in finding the claims invalid. *Id.* at 1366. We held that our jurisdiction was only "over Hiniker's appeal from the [final] decision of the Board." *Id.* at 1367. While the final decision would have been subject to reversal if it had improperly relied only on prior art presented to the examiner,[4] any error in instituting reexamina-

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[3] Unlike § 314, the reexamination statute only provides that "[a] determination by the Commissioner that *no* substantial new question of patentability has been raised will be final and nonappealable." 35 U.S.C. § 303(c) (1994) (emphasis added).

[4] *See In re Portola Packaging, Inc.*, 110 F.3d 786, 789, *superseded by statute as recognized by In re NTP, Inc.*, 654 F.3d 1268, 1277 (Fed. Cir. 2011); *In re Recreative Techs. Corp.*, 83 F.3d 1394 (Fed. Cir. 1996). Congress subsequently amended the statute to provide for consideration of prior art before the examiner. 35 U.S.C. § 303.

tion based on the Howard reference was "washed clean during the reexamination proceeding," which relied on new art. *Id.* The fact that the petition was defective is irrelevant because a proper petition could have been drafted. The same is even clearer here, where § 314(d) explicitly provides that there is no appeal available of a decision to institute. There was no bar here to finding claims 10 and 14 unpatentable based on the Evans and/or Wendt references. The failure to cite those references in the petition provides no ground for setting aside the final decision.

Cuozzo argues that Congress would not have intended to allow the PTO to institute IPR in direct contravention of the statute, for example, on grounds of prior public use where the IPR statute permits petitions only on the basis of "prior art consisting of patents or printed publications." 35 U.S.C. § 311. The answer is that mandamus may be available to challenge the PTO's decision to grant a petition to institute IPR after the Board's final decision in situations where the PTO has clearly and indisputably exceeded its authority.

The PTO argues that our previous decisions preclude mandamus. In *In re Dominion Dealer Solutions, LLC*, 749 F.3d 1379, 1381 (Fed. Cir. 2014), we held that mandamus relief was not available to challenge the denial of a petition for IPR. Given the statutory scheme, there was no "'clear and indisputable right' to challenge a non-institution decision directly in this court," as required for mandamus. *Id.* And in *In re Procter & Gamble Co.*, 749 F.3d 1376, 1378–79 (Fed. Cir. 2014), we held that mandamus was not available to provide immediate review of a decision to

institute IPR. There was no "clear and indisputable right to this court's immediate review of a decision to institute an inter partes review, as would be needed for mandamus relief." *Id.* at 1379. Furthermore, that "[wa]s not one of the rare situations in which irremediable interim harm c[ould] justify mandamus, which is unavailable simply to relieve [the patentee] of the burden of going through the inter partes review." *Id.* (citation omitted). However, we did not decide the question of whether the decision to institute review is reviewable by mandamus after the Board issues a final decision or whether such review is precluded by § 314(d). *Id.* Nor do we do so now.

Even if § 314 does not bar mandamus after a final decision, at least "three conditions must be satisfied before [a writ of mandamus] may issue." *Cheney v. U.S. Dist. Court for the D.C.*, 542 U.S. 367, 380 (2004). "First, 'the party seeking issuance of the writ [must] have no other adequate means to attain the relief he desires.'" *Id.* (quoting *Kerr v. U.S. Dist. Court for the N. Dist. of Cal.*, 426 U.S. 394, 403 (1976) (alteration in original)). That condition appears to be satisfied since review by appeal is unavailable. "Second, the petitioner must satisfy 'the burden of showing that his right to issuance of the writ is clear and indisputable.'" *Id.* at 381 (internal quotations, citation, and alterations omitted). "Third, the issuing court, in the exercise of its discretion, must be satisfied that the writ is appropriate under the circumstances." *Id.* (citation omitted).

Here, Cuozzo has not filed a mandamus petition, but even if we were to treat its appeal as a request for

mandamus,[5] the situation here is far from satisfying the clear-and-indisputable requirement for mandamus. It is not clear that IPR is strictly limited to the grounds asserted in the petition. The PTO urges that instituting IPR of claims 10 and 14 based on the grounds for claim 17 was proper because claim 17 depends from claim 14, which depends from claim 10. Any grounds which would invalidate claim 17 would by necessary implication also invalidate claims 10 and 14. *See Callaway Golf Co. v. Acushnet Co.*, 576 F.3d 1331, 1344 (Fed. Cir. 2009) ("A broader independent claim cannot be nonobvious where a dependent claim stemming from that independent claim is invalid for obviousness."). The PTO argues that Garmin implicitly asserted that claims 10 and 14 were unpatentable when it asserted that claim 17 was unpatentable. Whether or not the PTO is correct in these aspects, it is at least beyond dispute there is no clear and indisputable right that precludes institution of the IPR proceeding. We need not decide whether mandamus to review institution of IPR after a final decision is available in other circumstances.

II

Cuozzo contends in addition that the Board erred in finding the claims obvious, arguing initially that the Board should not have applied the broadest reasonable interpretation standard in claim construction.

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[5] *See* 16 Charles A. Wright, Arthur R. Miller & Edward H. Cooper, *Federal Practice and Procedure* § 3932.1 (3d ed. 2012) ("Many cases illustrate the seemingly converse proposition that an appeal can substitute for a writ in the sense that an attempted appeal from an order that is nonappealable can be treated as a petition for a writ." (citations omitted)).

A

The America Invents Act ("AIA") created IPR, but the statute on its face does not resolve the issue of whether the broadest reasonable interpretation standard is appropriate in IPRs; it is silent on that issue. However, the statute conveys rulemaking authority to the PTO. It provides that "[t]he Director shall prescribe regulations," *inter alia*, "setting forth the standards for the showing of sufficient grounds to institute review," and "establishing and governing inter partes review and the relationship of such review to other proceedings " 35 U.S.C. § 316(a)(2), (a)(4). Pursuant to this authority, the PTO has promulgated 37 C.F.R. § 42.100(b), which provides that "[a] claim in an unexpired patent shall be given its broadest reasonable construction in light of the specification of the patent in which it appears." 37 C.F.R. § 42.100(b). Cuozzo argues that the PTO lacked authority to promulgate § 42.100(b) and that the broadest reasonable interpretation standard is inappropriate in an adjudicatory IPR proceeding. The PTO argues that 35 U.S.C. § 316 provides the necessary authority to the PTO to promulgate § 42.100(b) and that the broadest reasonable interpretation is appropriately applied in the IPR context.

1

Before addressing the scope of the PTO's rulemaking authority, we consider the history of the broadest reasonable interpretation standard and the bearing of that history on the interpretation of the IPR statute. No section of the patent statute explicitly provides

that the broadest reasonable interpretation standard shall or shall not be used in any PTO proceedings.

Nonetheless, the broadest reasonable interpretation standard has been applied by the PTO and its predecessor for more than 100 years in various types of PTO proceedings. A 1906 PTO decision explained, "[n]o better method of construing claims is perceived than to give them in each case the broadest interpretation which they will support without straining the language in which they are couched." *Podlesak v. McInnerney*, 1906 Dec. Comm'r Pat. 265, 258. For more than a century, courts have approved that standard. *See, e.g.*, *Miel v. Young*, 29 App. D.C. 481, 484 (D.C. Cir. 1907) ("This claim should be given the broadest interpretation which it will support "); *In re Rambus, Inc.*, 753 F.3d 1253, 1255 (Fed. Cir. 2014) ("Claims are generally given their 'broadest reasonable interpretation' consistent with the specification during reexamination." (citation omitted)); *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004) ("Giving claims their broadest reasonable construction 'serves the public interest by reducing the possibility that claims, finally allowed, will be given broader scope than is justified.'" (quoting *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984))); *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) ("[W]e reject appellants' invitation to construe either of the cases cited by appellants so as to overrule, *sub silentio*, decades old case law. It would be inconsistent with the role assigned to the PTO in issuing a patent to require it to interpret claims in the same manner as judges who, post-issuance, operate under the assumption the patent is valid. The process of patent prosecution is an interactive one."); *In*

re Carr, 297 F 542, 544 (D.C. Cir. 1924) ("For this reason we have uniformly ruled that claims will be given the broadest interpretation of which they reasonably are susceptible. This rule is a reasonable one, and tends not only to protect the real invention, but to prevent needless litigation after the patent has issued."); *In re Kebrich*, 201 F.2d 951, 954 (CCPA 1953) ("[I]t is well settled that the tribunals [of the PTO] and the reviewing courts in the initial consideration of patentability will give claims the broadest interpretation which, within reason, may be applied.").

This court has approved of the broadest reasonable interpretation standard in a variety of proceedings, including initial examinations, interferences, and post-grant proceedings such as reissues and reexaminations. Indeed, that standard has been applied in every PTO proceeding involving unexpired patents.[6] In doing so, we have cited the long history of the PTO's giving claims their broadest reasonable construction. *See, e.g.*, *Yamamoto*, 740 F.2d at 1571–72 (reexaminations); *In re Reuter*, 670 F.2d 1015, 1019 (CCPA 1981) (reissues); *In re Prater*, 415 F.2d 1393, 1404–05 (1969) (examinations); *cf. Reese v. Hurst*, 661 F.2d 1222, 1236 (CCPA 1981) (interferences). Applying the broadest reasonable interpretation standard "reduce[s] the possibility that, after the patent is

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[6] The claims of an expired patent are the one exception where the broadest reasonable interpretation is not used because the patentee is unable to amend the claims. *Rambus*, 753 F.3d at 1256 ("If, as is the case here, a reexamination involves claims of an expired patent, a patentee is unable to make claim amendments and the PTO applies the claim construction principles outlined by this court in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005)." (citations omitted)).

granted, the claims may be interpreted as giving broader coverage than is justified." *Reuter*, 670 F.2d at 1015 (quoting *Prater*, 415 F.2d at 1404–05).

There is no indication that the AIA was designed to change the claim construction standard that the PTO has applied for more than 100 years. Congress is presumed to legislate against the background of the kind of longstanding, consistent existing law that is present here. *Astoria Fed. Sav. & Loan Ass'n v. Solimino*, 501 U.S. 104, 110 (1991); *Procter & Gamble Co. v. Kraft Foods Global*, 549 F.3d 842, 848–49 (Fed. Cir. 2008) (improper to presume that congress would alter the backdrop of existing law *sub silentio*).

Moreover, Congress in enacting the AIA was well aware that the broadest reasonable interpretation standard was the prevailing rule. *See* 157 Cong. Rec. S1375 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (allowing written statements to be considered in inter partes review "should allow the Office to identify inconsistent statements made about claim scope—for example, cases where a patent owner successfully advocated a claim scope in district court that is broader than the 'broadest reasonable construction' that he now urges in an inter partes review"). It can therefore be inferred that Congress impliedly approved the existing rule of adopting the broadest reasonable construction.

Cuozzo argues that judicial or congressional approval of the broadest reasonable interpretation standard for other proceedings is irrelevant here because the earlier judicial decisions relied on the avail-

ability of amendment, and the AIA limits amendments in IPR proceedings.[7]

But this case does not involve any restriction on amendment opportunities that materially distinguishes IPR proceedings from their predecessors in the patent statute. Section 316(d)(1) provides that a patentee may file one motion to amend in order to "[c]ancel any challenged patent claim" or "[f]or each challenged claim, propose a reasonable number of substitute claims," 35 U.S.C. § 316(d)(1), though "[a]n amendment may not enlarge the scope of the claims of the patent or introduce new matter," *id.* § 316(d)(3). The PTO regulations provide that "[a] patent owner may file one motion to amend a patent, but only after conferring with the Board." 37 C.F.R. § 42.221(a). "The presumption is that only one substitute claim would be needed to replace each challenged claim, and it may be rebutted by a demonstration of need." *Id.*

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[7] *See, e.g.*, *Yamamoto*, 740 F.2d at 1571–72 ("An applicant's *ability to amend his claims* to avoid cited prior art distinguishes proceedings before the PTO from proceedings in federal district courts on issued patents." (emphasis added)); *Reuter*, 670 F.2d at 1019 ("It is well settled that claims before the PTO are to be given their broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims " (internal quotation marks omitted)); *Prater*, 415 F.2d at 1404–05 ("[T]his court has consistently taken the tack that claims yet unpatented are to be given the broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims "); *see also, e.g.*, *In re Skvorecz*, 580 F.3d 1262, 1267 (Fed. Cir. 2009) ("As explained in the Manual of Patent Examining Procedure (MPEP) , Applicant always has the opportunity to amend the claims during prosecution " (internal quotation marks omitted)).

§ 42.221(a)(3). The statute also provides that "[a]dditional motions to amend may be permitted upon the joint request of the petitioner and the patent owner or as permitted by regulations prescribed by the Director." 35 U.S.C. § 316(d)(2). "A motion to amend may be denied where" the amendment either "does not respond to a ground of unpatentability involved in the [IPR] trial" or "seeks to enlarge the scope of the claims of the patent or introduce new subject matter." 37 C.F.R. § 42.221(a)(2).

Although the opportunity to amend is cabined in the IPR setting, it is thus nonetheless available. Here, the only procedural ground for rejecting the amendment that Cuozzo proposed was that it enlarged the scope of the claims, in violation of § 316(d)(3). A bar on post-issuance broadening has long been part of pre-IPR processes for which precedent approved use of the broadest reasonable construction. *See* 35 U.S.C. §§ 251 (reissue beyond two years), *id.* § 305 (reexamination). Thus, the only amendment restriction at issue in this case does not distinguish pre-IPR processes or undermine the inferred congressional authorization of the broadest reasonable interpretation standard in IPRs. If there are challenges to be brought against other restrictions on amendment opportunities as incompatible with using the broadest reasonable interpretation standard, they must await another case.

The inference of congressional approval of the longstanding PTO construction standard also is not undermined by the fact that IPR may be said to be adjudicatory rather than an examination. The repeatedly stated rationale for using the broadest reasona-

ble interpretation standard—that claim language can be modified when problems are identified in the PTO, *see supra* note 7—does not turn on whether the PTO identifies the problems by adjudication or by examination. Indeed, interference proceedings are also in some sense adjudicatory, *see Brand v. Miller*, 487 F.3d 862, 867–68 (Fed. Cir. 2007) (characterizing interference proceedings as adjudicatory and holding that the Board's decision be reviewed on the record), yet interference proceedings use a variant of the broadest reasonable interpretation standard, *see Genentech, Inc. v. Chiron Corp.*, 112 F.3d 495, 500 (Fed. Cir. 1997) ("In the absence of ambiguity, it is fundamental that the language of a count should be given the broadest reasonable interpretation it will support . " (quoting *In re Baxter*, 656 F.2d 679, 686 (CCPA 1981))). We conclude that Congress implicitly approved the broadest reasonable interpretation standard in enacting the AIA.

2

Even if we were to conclude that Congress did not itself approve the broadest reasonable interpretation standard in enacting the AIA, § 316 provides authority to the PTO to adopt the standard in a regulation. Section 316(a)(2) provides that the PTO shall establish regulations "setting forth the standards for the showing of sufficient grounds to institute a review " 35 U.S.C. § 316(a)(2). Section 316(a)(4) further provides the PTO with authority for "establishing and governing inter partes review under this chapter and the relationship of such review to other proceedings under this title." *Id.* § 316(a)(4). The broadest reasonable interpretation standard affects both the PTO's

determination of whether to institute IPR proceedings and the proceedings after institution and is within the PTO's authority under the statute.

Because Congress authorized the PTO to prescribe regulations, the validity of the regulation is analyzed according to the familiar *Chevron* framework. *See United States v. Mead Corp.*, 533 U.S. 218, 226–27 (2001); *Wilder v. Merit Sys. Prot. Bd.*, 675 F.3d 1319, 1322 (Fed. Cir. 2012). Under *Chevron*, the first question is "whether Congress has directly spoken to the precise question at issue." *Chevron, U.S.A. v. Natural Res. Def. Council, Inc.*, 467 U.S. 837, 842 (1984); *accord Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1337 (Fed. Cir. 2008) (quoting *Hawkins v. United States*, 469 F.3d 993, 1000 (Fed. Cir. 2006)). If the statute is ambiguous, the second question is "whether the agency's interpretation is based on a permissible construction of the statutory language at issue." *Cooper*, 536 F.3d at 1338 (quoting *Hawkins*, 469 F.3d at 1000).

In the text of the IPR statute, Congress directed the PTO in IPR proceedings to determine the "patentability" of any "claim" put in issue. 35 U.S.C. § 318(a); *see also id.* §§ 311(b), 314(a). Congress was silent on the subject of how the PTO should construe the "claim," and, if we assume *arguendo* that Congress did not itself approve (or reject) the broadest reasonable interpretation standard, step one of *Chevron* is satisfied. We proceed to step two of the *Chevron* analysis. The regulation here presents a reasonable interpretation of the statute.

We do not draw that conclusion from any finding that Congress has newly granted the PTO power to interpret substantive statutory "patentability" standards. Such a power would represent a radical change in the authority historically conferred on the PTO by Congress, and we could not find such a transformation effected by the regulation-authorizing language of § 316 any more than we could infer a dramatic change in PTO claim interpretation standards through the general language of the IPR provisions. Nevertheless, the language of § 316 readily covers the specific action the PTO has taken here, which is the opposite of a sharp departure from historical practice. The PTO has merely embodied in a regulation the approach it has uniformly applied, even without rulemaking, when it is interpreting "claims" to assess patentability. In so doing, the PTO has provided a uniform approach to be followed by the numerous possible three-member combinations of administrative patent judges that decide IPR proceedings.

The adopted standard is reasonable not just because of its pedigree but for context-specific reasons. As discussed above, the policy rationales for the broadest reasonable interpretation standard in pre-IPR examination proceedings apply as well in the IPR context. The statute also provides for the PTO to exercise discretion to consolidate an IPR with another proceeding before the PTO. *See* 35 U.S.C. § 315(d). The possibility of consolidating multiple types of proceedings suggests a single claim construction standard across proceedings is appropriate. 37 C.F.R. § 42.221(a) reflects a permissible construction of the statutory language in § 316(a). Even if approval of the broadest reasonable interpretation standard were not

incorporated into the IPR provisions of the statute, the standard was properly adopted by PTO regulation.

B

The second issue is whether the Board here properly construed the claims under the broadest reasonable interpretation standard. We review the Board's claim construction according to the Supreme Court's decision in *Teva Pharmaceuticals U.S.A., Inc. v. Sandoz, Inc.*, 135 S. Ct. 831, 841 (2015). We review underlying factual determinations concerning extrinsic evidence for substantial evidence and the ultimate construction of the claim de novo. *See id.* Because there is no issue here as to extrinsic evidence, we review the claim construction de novo.

Claim 10 includes the following limitation: "a speedometer integrally attached to said colored display." '074 patent col. 7 l. 10. Cuozzo argues that the board improperly construed the phrase "integrally attached." The Board construed "integrally attached" as meaning "discrete parts physically joined together as a unit without each part losing its own separate identity." J.A. 9. Cuozzo contends that the correct construction of "integrally attached" should be broader—"joined or combined to work as a complete unit." Appellant's Br. 33. Before the Board, Cuozzo stated that its construction would cover "a display that both functionally and structurally integrates the speedometer and the colored display, such that there only is a single display." J.A. 10. Cuozzo argues that the Board's claim construction improperly excludes a single-LCD embodiment of the invention wherein the speedometer and the speed limit indicator are on the same LCD.

The phrase "integrally attached" was not included in either the specification or the claims as originally filed. The phrase was introduced by an amendment to claim 10 to overcome a rejection that the claim was anticipated under § 102(e) by Awada.[8]

We see no error in the Board's interpretation. The word "attached" must be given some meaning. As the Board explained, it would "be illogical to regard one unit as being 'attached' to itself." J.A. 9. The specification further supports the Board's construction that the speedometer and the speed limit are independent—it repeatedly refers to a speed limit indicator independent of any speedometer and states that "the present invention essentially comprises a speed limit indicator comprising a speed limit display and an at-

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[8] Claim 10 of the '074 patent corresponds to the claim numbered as claim 11 during patent prosecution.

Prior to amendment, claim 10 included the limitation: "a speedometer attached to said speed limit display." J.A. 100. Cuozzo's proposed amendment to that limitation recited "a speedometer integrally attached to said colored display." *Id.* In proposing the amendment, Cuozzo argued that the amendment overcame Awada because

> "[t]he cited Awada (6,515,596) lacks a speedometer integrally attached to the speed limit display
>
> The vehicle's driver is forced to look in two separate locations and then mentally compare the speed limit with his vehicle's speed to determine how close he is to speeding if he is not already doing so sufficiently to activate the light and/or tone. In contrast, the present invention provides an integrated display allowing the driver to immediately ascertain both his speed and its relation to the prevailing speed limit."

J.A. 104–05.

tached speedometer." '074 patent col. 2 ll. 52–54. The Board did not err in its claim construction.

C

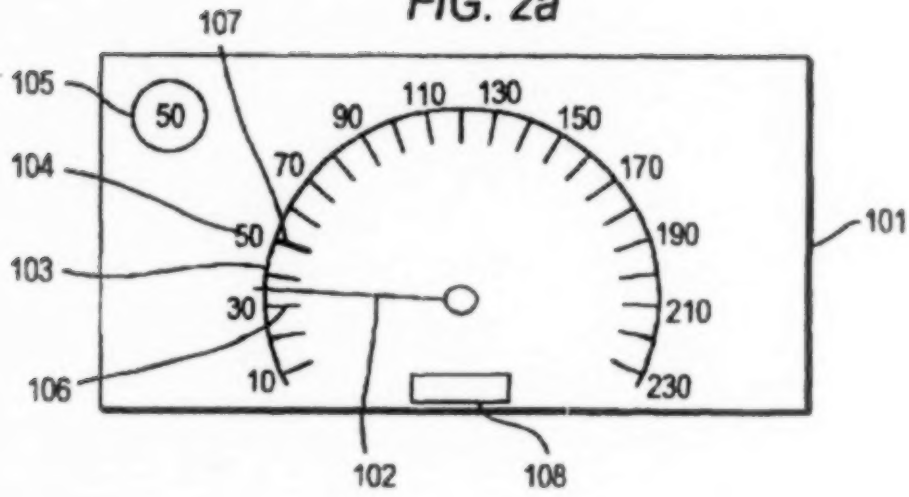
The third question is whether claims 10, 14, and 17 were obvious. We review the Board's factual findings for substantial evidence and review its legal conclusions de novo. *In re Baxter Int'l, Inc.*, 678 F.3d 1357, 1361 (Fed. Cir. 2012). The ultimate determination of obviousness under § 103 is a question of law based on underlying factual findings. *Id.* (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966)). What a reference teaches and the differences between the claimed invention and the prior art are questions of fact which we review for substantial evidence. *Id.* (citations omitted). Cuozzo states that, "[f]or the purposes of this appeal, claims 10, 14, and 17 rise and fall together." Appellant Br. 17 n.1. Therefore, we analyze only claim 10.

Even under its own claim construction, Cuozzo agrees that the disclosed mechanical embodiment with a red colored filter is within the claim scope. In the analog embodiment disclosed in the specification, a red filter is superimposed on a white speedometer so that "speeds above the legal speed limit are displayed in red while the legal speeds are displayed in white " '074 patent col. 5 ll. 35–37. A GPS unit tracks the vehicle's location, and the speed limit at that location is determined. The red filter automatically rotates in response so that speeds over the legal speed limit are displayed in red.

It is a "long-established rule that 'claims which are broad enough to read on obvious subject matter are unpatentable even though they also read on nonobvious subject matter.'" *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1328 n.4 (quoting *In re Lintner*, 458 F.2d 1013, 1015 (CCPA 1972)) (internal alterations omitted). Thus if the mechanical embodiment is obvious, claim 10 is obvious. The Board determined that the mechanical embodiment was obvious over Aumayer, Evans, and Wendt. We see no error in that determination.

Aumayer discloses a display which shows a vehicle's speed and indicates the current speed limit by highlighting the appropriate mark on a speed scale or by producing a scale mark of a different length or color. Aumayer col. 1 l. 12, col. 5 ll. 19–31. Aumayer further teaches obtaining the current location of a vehicle from an on-board GPS, *id.* Abstract, col. 4 ll. 41–45, and "updating the speed limit data stored in the vehicle by means of a radio connection by means of a data carrier," *id.* col. 2 ll. 54–57. Figure 2a provides an illustration:

FIG. 2a



Element 105 displays a maximum speed limit, and element 107 highlights this same speed limit on the speed scale. The pointer designated by element 102 displays the vehicle's current speed.

Evans discloses a transparent plate that "bears warning indicia, for example, a special color and/or a plurality of marks, spaces, ridges, etc. so that when the speedometer dial is viewed through it, a portion of the dial representing speeds in excess of a predetermined limit are demarked by the warning indicia." Evans col. 2 ll. 3–8. The plate is generally fixed but can be removed and recut and/or repositioned in order to extend over a different range of numbers on the dial. Figure 3 is illustrative:

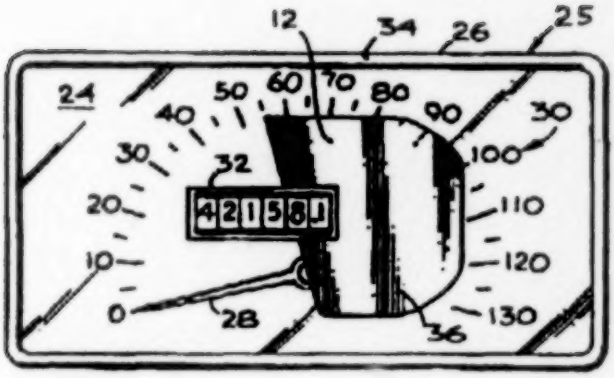


Fig. 3

Wendt discloses a speed limit indicator which is attachable by a suction cup to the cover of a speedometer. The indicator has a pointer which is rotatable to indicate the current speed limit.

Cuozzo argues that Aumayer, Evans, and Wendt do not disclose "continuously updat[ing] the delineation of which speed readings are in violation of the speed limit at a vehicle's present location," as required by claim 10. '074 patent col. 7 ll. 6–9. In particular, Cuozzo contends that Aumayer discloses updating speed limits associated with a region and not with a geographic position determined by the GPS locating device. The Board found that "it is indisputable that Aumayer displays the speed limit for the current location of a vehicle as determined by a GPS receiver, and not merely the speed limit for a certain class of road in a given region without any connection to the vehicle's current location." J.A. 34. The Board's finding is supported by substantial evidence.

Cuozzo also argues that there is no motivation to combine Aumayer, Evans, and Wendt because Aumayer is an automatic device while Evans and Wendt are

manual devices. However, "[a]pplying modern electronics to older mechanical devices has been commonplace in recent years." *Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1161 (Fed. Cir. 2007). It would have been obvious to combine Aumayer, Evans, and Wendt to arrive at the analog embodiment. Cuozzo does not contend that any secondary considerations argue against a finding of obviousness.

Claim 10 would have been obvious over Aumayer, Evans, and Wendt because it encompasses the analog embodiment of the invention discussed in the specification. We need not address whether claim 10 is also obvious over Tegethoff, Awada, Evans, and Wendt, as the Board also concluded.

D

Finally, we consider whether the Board properly denied Cuozzo's motion for leave to amend, finding that Cuozzo's substitute claims would enlarge the scope of the patent. Cuozzo moved to substitute claim 10 with the following substitute claim 21:

> A speed limit indicator comprising:
> a global positioning system receiver determining a vehicle's present location, a vehicle's present speed and a speed limit at the vehicle's present location;
> a display controller connected to said global positioning system receiver, wherein said display controller adjusts a colored display in response to signals indicative of the speed limit at the vehicle's present location from said global positioning system receiver to continuously update the de-

lineation of which speed readings determined by the global positioning system receiver are in violation of the speed limit at the vehicle's present location; and

a speedometer integrally attached to said colored display,

wherein the speedometer comprises a liquid crystal display, and

wherein the colored display is the liquid crystal display.

J.A. 357–58.

The statute and PTO regulation bar amendments which would broaden the scope of the claims. 35 U.S.C. § 316(d)(3); 37 C.F.R. § 42.221(a)(2)(ii). In the past, we have construed this requirement in the context of reissues and reexaminations. In both contexts, we have applied the test that a claim "is broader in scope than the original claims if it contains within its scope any conceivable apparatus or process which would not have infringed the original patent." *Tillotson, Ltd. v. Walbro Corp.*, 831 F.2d 1033, 1037 n.2 (Fed. Cir. 1987) (in the reissue context); *see In re Freeman*, 30 F.3d 1459, 1464 (Fed. Cir. 1994) (quoting *Tillotson*, 831 F.2d at 1037 n.2) (in the reexamination context). The same test applies in the context of IPRs. Therefore, we inquire whether Cuozzo's proposed substitute claims would encompass any apparatus or process that would not have been covered by the original claims.[9] The Board held that claim 21

[9] Cuozzo argues that its substitute claim is narrowing because it is limited to the single-LCD embodiment and no longer would encompass the mechanical embodiment. This argument misstates the test for broadening. "[A] claim is broadened if it is broader in any

was broadening because it would encompass a single-LCD embodiment wherein both the speedometer and the colored display are LCDs, which was not within the original claims. Cuozzo argues that the proposed claims were not broadening and instead copied limitations from two dependent claims in the patent.

Based on the proper construction of the phrase "integrally attached," we agree with the PTO that Cuozzo's proposed amendment is broadening. Cuozzo itself argues that the motion to amend was denied solely because of the PTO's interpretation of "integrally attached," and argues only that a remand is necessary if we were to reverse the Board's claim construction (which we have not done). Cuozzo admits that the Board's construction of "integrally attached" "excludes the single LCD embodiment of the invention in which the speedometer includes an LCD that is the colored display." Appellant Br. 33. Proposed claim 21 recites "a speedometer integrally attached to said colored display, wherein the speedometer comprises a liquid crystal display, and wherein the colored display is *the* liquid crystal display." J.A. 358 (emphasis added). The word "the," emphasized in the quoted language above, requires a single-LCD embodiment that includes both the speedometer and the colored display in one LCD. Because proposed claim 21 would encompass an embodiment not encompassed by claim 10, it is broadening, and the motion to amend was properly denied.

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respect than the original claim, even though it may be narrowed in other respects." *In re Rogoff*, 261 F.2d 601, 603 (CCPA 1958); *see also Senju Pharm. Co., Ltd. v. Apotex Inc.*, 746 F.3d 1344, 1352 (Fed. Cir. 2014).

AFFIRMED

NEWMAN, *Circuit Judge*, dissenting.

I respectfully dissent, for the panel majority's rulings are contrary to the Leahy-Smith America Invents Act, Pub. L. No. 112–29, 125 Stat. 284 (2011) (effective September 16, 2012).

The America Invents Act established new post-issuance patent review systems, for the purpose of "providing quick and cost effective alternatives to litigation." H.R. Rep. No. 112–98, pt. 1, at 48 (2011). This purpose is achieved by new forms of proceedings in the Patent and Trademark Office, whereby a new adjudicatory body, called the Patent Trial and Appeal Board (PTAB), serves as a surrogate for district court litigation of patent validity. These adjudicative proceedings in the PTO are designed "to review the validity of a patent in a court-like proceeding." H.R. Rep. No. 112–98, pt. 1, at 8. The goal is improved service to technology-based innovation, and thus to the national interest in creative advance and industrial growth. The panel majority thwarts the statutory plan in several ways.

First, the panel majority holds that the PTAB, in conducting these adversarial post-grant proceedings, need not and should not apply the same patent claim construction as is required to be applied in the courts. Instead, the panel majority ratifies treating the claims of an issued patent as if they are the proposed claims in the patent application examination stage, when proposed claims are subject to the "broadest reasonable interpretation" examination ex-

pedient. The panel majority thus precludes achieving PTAB adjudication of patent validity comparable to that of the district courts, where validity is determined on the legally correct claim construction, not an artificial temporary "broadest" construction. The "broadest" construction is designed to facilitate examination before grant, not to confound litigation after grant.

As a further departure from the legislative plan, the majority holds that the "final and nonappealable" statutory provision relating to whether to institute post-grant proceedings means that "§ 314(d) must be read to bar review of all institution decisions, even after the Board issues a final decision." Maj. op. at 7. This restraint could bar review of information material to the final PTAB judgment, and may in turn impede full judicial review of the PTAB's decision. This further diminishes the role of the PTO as a reliable arbiter of patent validity.

Several other aspects of the America Invents Act are confusingly treated in the majority opinion. For example, as Cuozzo points out, here the PTAB decision relies on arguments and evidence that had not been raised in the Petition to Institute, although the statute requires that all arguments and evidence must be presented in the Petition. The panel majority states that "[t]he fact that the petition was defective is irrelevant because a proper petition could have been drafted." Maj. op. at 8. Such casual disregard of this statutory provision cannot have been intended, by the legislation, and sets a dubious precedent for responsible proceedings.

The post-grant proceedings established by the America Invents Act were intended as a far-reaching surrogate for district court validity determinations. The premise is that an adversarial evidentiary proceeding in the PTO can reliably resolve most issues of patent validity, without the expense and delay of district court litigation, and sometimes even before infringement has occurred. The court today moves these new proceedings in directions inimical to the content and provisions of the America Invents Act, impeding the statutory purpose.

I

PTO Post-Grant Proceedings as a Surrogate for District Court Litigation

During six years of discussion, hearings, negotiation, and collaboration among the communities of technology-based industry, inventors, legislators, scholars, bar associations, and the concerned public, solution was sought to a major problem confronting United States industrial advance: the burgeoning patent litigation and the accompanying cost, delay, and overall disincentive to investment in innovation.

The fruit of these efforts, the America Invents Act, is a thoughtful, creative, and ambitious statute whose cornerstone is the shift of patent validity disputes from the courts to the expert agency that previously was concerned primarily with examination for patentability. Previously, disputes of validity of issued patents were the exclusive province of the courts. Now, the America Invents Act not only authorizes the PTO to conduct litigation-type adversarial proceedings to

decide patent validity, but also authorizes such proceedings even when there is no "controversy" under Article III.

The premise of the America Invents Act is that these new PTO proceedings will provide a reliable early decision, by technology-trained patent-savvy adjudicators, with economies of time and cost. *See* 157 Cong. Rec. S7413 (Nov. 14, 2011) (statement of Rep. Smith) ("The new transitional program . creates an inexpensive and speedy alternative to litigation—allowing parties to resolve [disputes] rather than spending millions of dollars in litigation costs.").

The goal is to improve the climate for investment and industrial activity, while facilitating the removal of patents that were improvidently granted. *See* Changes to Implement Transitional Program for Covered Business Method Patents, 77 Fed. Reg. 7080, 7081 (Feb. 10, 2012) ("The purpose is to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs."). An obstacle to achieving this purpose is the refusal of the PTO to construe patent claims in accordance with the law of claim construction that is applied in the courts—an obstacle now endorsed by the Federal Circuit.

Claim construction is the first step in determining the validity of patent claims. In an adjudicatory proceeding for issued patents, the claims must be construed in accordance with law. In establishing this new adjudicatory system in the PTO, the record shows no debate about whether the PTO, in deciding the validity of issued patents, should apply a different law

from the law applied in the courts. The America Invents Act plainly contemplated that the new PTO tribunal would determine validity of issued patents on the legally and factually correct claim construction, not on a hypothetical "broadest" expedient as is used in examination of proposed claims in pending applications.

The America Invents Act, in authorizing the PTO to determine validity by conducting adversarial proceedings, including discovery, depositions, witnesses, experts, briefs and arguments, is designed to reach the correct result in the PTO, the same correct result as in the district courts. *See* H.R. Rep. No. 112–98, pt. 1, at 75 (describing these new post-grant proceedings as "adjudicative systems" comparable to district court validity determinations). This legislative purpose fails when the PTO tribunal uses a different standard of claim construction, a standard that does not require the correct claim construction.

The legislative record contains no support for the majority's view that Congress intended that the new PTO tribunal need not construe the claims of issued patents correctly. The legislative record does not show a congressional intent that issued patents should be more readily invalidated in these PTO proceedings than in the courts, by broadening the claims into invalidity. This PTO procedure distorts, indeed defeats, the legislative purpose of providing an administrative surrogate for district court determination of patent validity.

Patent claims must be correctly construed for validity as for infringement

The construction of patent claims, their meaning and their scope, is the foundation of patent law. As stated in *Lighting Ballast Control LLC v. Phillips Electronics North American Corp.*, "[l]egal doctrine in patent law starts with the construction of patent claims, for the claims measure the legal rights provided by the patent." 744 F.3d 1272, 1282 (Fed. Cir. 2014) (vacated on other grounds). These legal rights must be the "correct" rights, not some fuzzy "broadest" measure.

Patent claims are construed as a matter of law, as limited by the specification, the prosecution history, and the prior art. *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). Because exclusive rights are determined thereby, claims are construed the same way for validity as for infringement. No statute, no precedent, authorizes or even tolerates broader construction for validity than for infringement. It cannot have been contemplated in the America Invents Act that instead of applying the correct claim construction for adjudication of validity, the PTAB would seek an undefined broadest interpretation to the claims, and then decide the validity of broadest claims that were never granted to the applicant.

The question is not whether a "broadest" construction protocol has a place in the examination of pending applications, where proposed claims are readily amended in the give-and-take of patent prosecution. However, after the patent has issued, announcing a property right on which the patentee and the public

rely, the claims must be construed correctly. Absent commitment to the correct construction, this new forum for adjudication fails its purpose of providing an effective determination of validity. This failure cannot be what the legislators and supporters of the America Invents Act intended when they authorized the PTO to establish an administrative tribunal to determine patent validity through adjudicatory process.

"Broadest reasonable interpretation" is an examination expedient, not the law of claim construction

The broadest reasonable interpretation is authorized for use in the examination of pending applications, as the applicant and the examiner interact to define the invention so as to distinguish or avoid overlap with prior art. *See In re Zletz*, 893 F.2d 319, 321-22 (Fed. Cir. 1989) ("an essential purpose of patent examination is to fashion claims that are precise, clear, correct, and unambiguous.") *Id.* The purpose of construing claims broadly during examination is to restrict or clarify the applicant's proposed claims, not to broaden them. *See In re Yamamoto*, 740 F.2d 1569, 1571 (the PTO broadly interprets claims during examination since the applicant may "amend his claims to obtain protection commensurate with his actual contribution to the art") (quoting *In re Prater*, 415 F.2d 1393, 1404–05 (CCPA 1969)); *see generally* MPEP § 2111 (requiring the application of the "broadest reasonable interpretation" to pending claims).

Giving proposed claims their broadest reasonable interpretation "serves the public interest by reducing the possibility that claims, finally allowed, will be given broader scope than is justified." *Yamamoto*, 740 F.2d at 1571; *see In re Hyatt*, 211 F.3d 1367, 1372

(Fed. Cir. 2000) (the broadest interpretation "is not unfair to applicants, because 'before a patent is granted the claims are readily amended as part of the examination process'") (quoting *Burlington Indus., Inc. v. Quigg*, 822 F.2d 1581, 1583 (Fed. Cir. 1987)).

The "broadest" protocol aids the applicant and the examiner in defining claim scope during prosecution. It is not a claim construction on which substantive legal rights of validity or infringement are based, or are intended to be based. In contrast, applying the broadest interpretation to issued claims in these PTO post-grant validity determinations does not serve to restrict or clarify claims. Instead, this activity now appears to be used by the PTAB to broaden issued claims inappropriately, for claims can be broadened until they read on prior art—the result about which Cuozzo complains.

These post-grant proceedings provide no right to amend the issued claims, and permission to amend is restricted

A critical difference between the standard procedure of examination of pending applications, and these post-grant proceedings, is the ready pre-grant availability of amendment of the claims. Patent prosecution is a fluid exchange between the examiner and the applicant, and the expedient of broadest reasonable interpretation during examination is based on, and depends on, the applicant's right to amend the claims. In *Yamamoto* the court stressed this difference from judicial proceedings:

> An applicant's ability to amend his claims to avoid cited prior art distinguishes proceedings before the PTO from proceedings in federal district courts on issued patents. When an application is pending in the PTO, the applicant has the ability to correct errors in claim language and adjust the scope of claim protection as needed. This opportunity is not available in an infringement action in district court.

740 F.2d at 1572.

In routine examination and reexamination, the amendment of a claim is a back-and-forth process between an examiner and the applicant, who may present amendments and new claims. Reexamination is "conducted according to the procedures established for initial examination under the provisions of Sections 132 and 133." 35 U.S.C. § 305. The focus of reexamination proceedings "returns essentially to that present in an initial examination." *In re Etter*, 756 F.2d 852, 857 (Fed. Cir. 1985).

It is significant that when claims in reexamination are not eligible for amendment, as when the patent has expired, the PTO instructs examiners not to use the broadest reasonable interpretation. MPEP § 2258G states:

> In a reexamination proceeding involving claims of an expired patent, claim construction pursuant to the principle set forth by the court in *Phillips v. AWH Corp.*, 415 F.3d 1303, 1316 (Fed. Cir. 2005) (words of a claim "are generally given their ordinary and customary meaning" as understood by a person of ordinary skill in the art in question at

the time of the invention) should be applied since the expired claims are not subject to amendment.

The panel majority is incorrect in concluding that Inter Partes Review proceedings are not materially different with respect to the opportunity to amend. Amid the Inter Partes Review restrictions, patent owners are limited to "one motion to amend," and are presumptively limited to substituting one issued claim for one amended claim. 37 C.F.R. § 42.221(a)(3). There is no right of amendment in these new post-grant proceedings, and motions to amend are rarely granted.[1] The majority trivializes this difference, curiously stating that these post grant proceedings do not "involve any restriction on amendment opportunities that materially distinguishes IPR proceedings from their predecessors in the patent statute." Maj. op. at 15. That is incorrect. Amendment in post-grant validity proceedings is not of right, and thus far appears to be almost entirely illusory.

It is beyond debate that Inter Partes Review does not allow the kind of iterative amendment process that is part of the "broadest reasonable interpretation" protocol in examination. The restricted role of amendment in the America Invents Act proceedings comports with the intended and expected "correct" claim construction, not the broadest claim construc-

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[1] *See* Andrew Williams, *PTAB Update – The Board Grants Its Second Motion to Amend (At Least in Part)*, PATENT DOCS (Jan. 8, 2015), http://www.patentdocs.org/2015/01/ptab-update-the-board-grants-its-second-motion-to-amend-at-least-in-part.html; *see also* Jennifer E. Hoekel, *PTAB Grants First Opposed Motion to Amend Claims-Patent Trial and Appeal Board*, THE NATIONAL LAW REVIEW (January 14, 2015), http://www.natlawreview.com/article/ptab-grants-first-opposed-motion-to-amend-claims-patent-trial-and-appeal-board.

tion. It comports with district court practices in adjudication, not PTO practices in examination.

The America Invents Act designed these post-grant review proceedings as an adjudicatory process

The majority discounts the adjudicatory purpose of these new PTO proceedings. The majority states that "[t]he inference of congressional approval of the longstanding PTO construction standard also is not undermined by the fact that IPR may be said to be adjudicatory rather than an examination." Maj. op. at 16. To the contrary, these differences between adjudication and examination are the fruit of six years of planning, to produce a new adversarial system in the PTO.

The extensive congressional criticism of the now-discarded inter partes reexamination belies the majority's "inference" that Congress silently approved practices it was not explicitly adopting. These discarded practices resulted in lengthy delays as well as indecisive results. *See Inter Partes Reexamination Filing Data* *1 (USPTO Nov. 22, 2013), *available at* http://www.uspto.gov/patents/stats/inter_parte_historical_stats_roll_up_EOY2013.pdf. (last visited June 16, 2015) (average pendency of inter partes reexamination was three years).

The America Invents Act was designed to remedy these flaws, and to provide an adjudicatory proceeding with the benefits of adversary participation. Thus the Act provides for discovery, witnesses, argument, and other litigation procedures. The House Report explained that Congress intended to "convert" inter partes reexamination "from an examinational proceeding to an adjudicative proceeding." H.R. Rep. No. 112–98, pt. 1, at 46–48 (2011); *id.* at 75 (describing post-

grant proceedings and Inter Partes Review as "adjudicative systems"). The House Report states:

> Unlike reexamination proceedings, which provide only a limited basis on which to consider whether a patent should have issued, the post-grant review proceeding permits a challenge on any ground related to invalidity under section 282. The intent of the post-grant review process is to enable early challenges to patents The Committee believes that this new, early-stage process for challenging patent validity will make the patent system more efficient and improve the quality of patents and the patent system.

Id. at 46.

Inter partes review under the America Invents Act is designed to achieve the benefits of validity proceedings in the district courts. In the PTAB's words, "[a]n inter partes review is neither a patent examination nor a patent reexamination," but is "a trial, adjudicatory in nature [which] constitutes litigation." *Google Inc. v. Jongerius Panoramic Techs., LLC*, IPR2013-00197, Paper No. 50, at 4 (Feb. 13, 2014). The PTO's insistence on applying the same artificial claim construction methodology as in pre-grant examination is curious, indeed a negation of the purpose and obligation of this new adjudicatory process.

To conduct this adjudicatory process as the intended surrogate for court actions, the PTAB must apply the same law as is required of the district courts. By imposing the protocol of broadest reasonable interpretation, the PTO and the panel majority frustrate the legislative purpose. The PTO tribunal cannot serve as a surrogate for district court litigation if the PTAB

does not apply the correct claim construction, but deliberately applies a "broadest" construction. The possibility of error, the unreliability of result, cannot be salvaged by the possibility that sometimes it may not matter to the result. These new procedures will become no more than a tactical vehicle for delay, harassment, and expenditure, despite the Congressional warning:

> While this amendment is intended to remove current disincentives to current administrative processes, the changes made by it are not to be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent. Doing so would frustrate the purpose of the section as providing quick and cost effective alternatives to litigation.

H.R. Rep. No. 112–98, pt. 1, at 47 (2011).

The "broadest reasonable interpretation" examination protocol has no role in adjudication of validity in the courts. Correct adjudication of validity requires correct claim construction, not the broadest construction. These new PTO proceedings have no place for this inapplicable expedient.

The public notice function of claims is defeated by a "broadest" interpretation of claim scope

These new proceedings are intended to provide an efficient test of the notice to the public as to what is covered by the claims. The public interest is in the actual scope of the claims, correctly construed—not their broadest interpretation. Uniformity in claim construction is critical to avoid "a zone of uncertainty which enterprise and experimentation may enter only

at the risk of infringement claims [that] would discourage invention only a little less than unequivocal foreclosure of the field." *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 390 (1996).

Section 112(b) of Title 35 states: "The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as the invention." As the Cuozzo situation illustrates, the broadest interpretation is in tension with the role of the specification, as well as the prosecution history, which not only provides information to the public about the scope and meaning of the claims, but also is a long-recognized source of claim interpretation and limitation. *Biogen Idec, Inc. v. GlaxoSmithKline LLC*, 713 F.3d 1090, 1095 (Fed. Cir. 2012); *see Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996) (the prosecution history "constitute[s] the public record of the patentee's claim, a record on which the public is entitled to rely.") Decades of precedent instruct how claims are construed and how validity is determined when litigating over issued patents. If these new post-grant proceedings are to serve the purposes intended by the America Invents Act, the claims of issued patents must be construed the same way in these PTO proceedings as in the courts.

The broadest interpretation is irreconcilable with the traditional obligations of claim construction and public notice. In the public interest, it is unacceptable to create a situation whereby the tribunals charged with determination of patent validity as a matter of law, that is, the PTAB and the district court, could validly reach a different result on the same evidence.

Agency rulemaking authority is to implement the statute, not to change the statute

The America Invents Act directs the PTO to promulgate regulations "establishing and governing" these proceedings "and the relationship of such review to other proceedings under this title." 35 U.S.C. §§ 316(a)(4), 326(a)(4). This authority relates to the "Conduct of post-grant review" and "Conduct of inter partes review." The word "conduct" connotes procedure. Section 316 identifies areas whose conduct is assigned to the PTO, including public access to proceedings, discovery rules, and the right to a hearing. I discern no authorization to the PTO to change the law of how claims of issued patents are construed. *See generally* H.R. Rep. No. 112–98, pt. 1, at 76.

The panel majority states that it is merely deferring to the PTO's interpretation of its statutory authority. Deference is not unlimited; the Court advises that "although an agency's interpretation of the statute under which it operates is entitled to some deference, 'this deference is constrained by our obligation to honor the clear meaning of a statute, as revealed by its language, purpose, and history.'" *Se. Cmty. Coll. v. Davis*, 442 U.S. 397 (1979) (quoting *Teamsters v. Daniel*, 439 U.S. 551, 566 n. 20 (1979)); *see Muuwakkil v. Office of Pers. Mgmt.*, 18 F.3d 921, 925 (Fed. Cir. 1994) ("When an agency's interpretation of a statute it is entrusted to administer is contrary to the intent of Congress, as divined from the statute and its legislative history, we owe it no deference.").

In promulgating 37 C.F.R. § 42.300(b) to authorize and require the broadest reasonable interpretation for these new proceedings, the PTO departed from the purpose of the America Invents Act to create a

surrogate for district court litigation. Regulations must serve the statute they seek to implement. *See Ernst & Ernst v. Hochfelder*, 425 U.S. 185, 213–14 (1976) ("The rulemaking power granted to an administrative agency charged with the administration of a federal statute is not the power to make law. Rather, it is the power to adopt regulations to carry into effect the will of Congress as expressed by the statute.").

The America Invents Act refers to the "proper meaning of a patent claim," *see* 35 U.S.C. § 301(d) (referring to "the proper meaning of a patent claim in a proceeding that is ordered or instituted pursuant to section 304, 314, or 324"). The "proper meaning" is the correct meaning, applying the law of claim construction. The new PTO regulation authorizing "broadest reasonable interpretation" in these post-grant proceedings defeats "the will of Congress as expressed in the statute," *Ernst & Ernst*, 425 U.S. at 214, for it defeats the purpose of substituting administrative adjudication for district court adjudication. The curious result is that patentees are required in these new PTO proceedings to defend the validity of claims that are construed to be of broader scope than the claims granted upon PTO examination.

II

The decision to institute Inter Partes Review

The America Invents Act states that the PTO's decision whether to institute review is "final and non-appealable." 35 U.S.C. § 314(a). The majority states that "On its face, the provision is not directed to precluding review only before a final decision. It is written to exclude all review of the decision whether to institute review." Maj. op. at 6. The statute does

not mean that all information presented with the petition to institute is barred from consideration on appeal of the final decision.

The stated purpose of the "final and nonappealable" provision is to control interlocutory delay and harassing filings. However, review is not barred of material aspects that were decided in connection with the petition to institute. In *Bowen v. Michigan Academy of Family Physicians*, 476 U.S. 667, 670 (1986), the Court explained that "[f]rom the beginning 'our cases [have established] that judicial review of a final agency action by an aggrieved person will not be cut off unless there is persuasive reason to believe that such was the purpose of Congress'," (alteration in original) (quoting *Abbott Labs. v. Gardner*, 387 U.S. 136, 140 (1967)).

In *Block v. Community Nutrition Institute*, 467 U.S. 340 (1984), the Court summarized the principle of judicial review of agency determinations:

> Whether and to what extent a particular statute precludes judicial review is determined not only from its express language, but also from the structure of the statutory scheme, its objectives, its legislative history, and the nature of the administrative action involved.

Id. at 345. In this case, Cuozzo argues that the petition to institute was improperly granted. The statute does not preclude judicial review of whether the statute was applied in accordance with its legislated scope.

Conclusion

The America Invents Act was enacted to enable the PTO to resolve validity issues, at reduced cost and de-

lay. This goal is defeated by the court's preservation of the PTO's new regulatory discrepancy between validity determinations under the America Invents Act and in the district courts. The purpose of invigorating the incentive role of patents, by providing a faster, cheaper, and reliable determination of the validity of issued patents is thus undercut—to no benefit, and in derogation of this once-promising legislative initiative.

APPENDIX B

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

IN RE: CUOZZO SPEED TECHNOLOGIES, LLC,
Appellant

2014-1301

Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2012-00001.

ON PETITION FOR REHEARING EN BANC

Before PROST, Chief Judge, NEWMAN, LOURIE, DYK, MOORE, O'MALLEY, REYNA, WALLACH, TARANTO, CHEN, and HUGHES, *Circuit Judges*.

PER CURIAM.

O R D E R

Appellant Cuozzo Speed Technologies, LLC, filed a petition for rehearing en banc. A response to the petition was invited by the court and filed by Intervenor Michelle Lee, Director of the United States Patent and Trademark Office. The petition and response were referred to the panel that heard the appeal, and thereafter the petition and response were referred to

the circuit judges who are in regular active service. A poll was requested, taken, and failed.

IT IS ORDERED THAT:

(1) The petition for rehearing en banc is denied.

(2) Absent a petition for rehearing, the mandate of the court will issue in fifty-two days.

FOR THE COURT

July 8, 2015
Date

/s/ Daniel E. O'Toole
Daniel E. O'Toole
Clerk of Court

APPENDIX C

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

IN RE: CUOZZO SPEED TECHNOLOGIES, LLC,
Appellant

2014-1301

Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2012-00001.

ON PETITION FOR REHEARING EN BANC

Before PROST, Chief Judge, NEWMAN, LOURIE, DYK, MOORE, O'MALLEY, REYNA, WALLACH, TARANTO, CHEN, and HUGHES, *Circuit Judges*.

Opinion concurring in the denial of the petition for rehearing en banc filed by *Circuit Judge* DYK, in which *Circuit Judges* LOURIE, CHEN, and HUGHES join.

Opinion dissenting from the denial of the petition for rehearing en banc filed by *Chief Judge* PROST, *Circuit Judges* NEWMAN, MOORE, O'MALLEY, and REYNA.

Opinion dissenting from the denial of the petition for rehearing en banc filed by *Circuit Judge* NEWMAN.

DYK, *Circuit Judge*, with whom LOURIE, CHEN, and HUGHES, *Circuit Judges*, join, concurring in the denial of the petition for rehearing en banc.

The dissenting opinions' sole arguments for eliminating the broadest reasonable interpretation standard in inter partes review ("IPR") proceedings are that (1) IPR proceedings are a substitute for district court litigation, so the district court claim construction standard should apply; and (2) the right to amend in IPR proceedings is limited.

Neither argument supports setting aside the longstanding practice of applying the broadest reasonable interpretation standard in United States Patent and Trademark Office ("PTO") proceedings. The PTO has applied the broadest reasonable interpretation standard in a variety of proceedings for more than a century. *In re Cuozzo Speed Techs., LLC*, No. 14-1301, slip op. at 12 (Fed. Cir. July 8, 2015). Interference proceedings are adjudicatory, *see Brand v. Miller*, 487 F.3d 862, 867–68 (Fed. Cir. 2007), but nonetheless apply a variant of the broadest reasonable interpretation standard, *see, e.g.*, *In re Baxter*, 656 F.2d 679, 686 (CCPA 1981).

Nothing in the America Invents Act ("AIA") indicates congressional intent to change the prevailing broadest reasonable interpretation standard. The dissents are wholly devoid of any evidence in the legislative history that Congress intended in the AIA to change the standard, and we must interpret the statute in light of the long history of the use of the broad-

est reasonable interpretation standard in PTO proceedings. "What is of paramount importance is that Congress be able to legislate against a background of clear interpretive rules, so that it may know the effect of the language it adopts." *Finley v. United States*, 490 U.S. 545, 556 (1989), *superseded by statute on other grounds as recognized in Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545 U.S. 546, 558 (2005). Far from intending to change the standard, Congress conveyed rulemaking authority to the PTO to prescribe regulations, *inter alia*, "establishing and governing inter partes review," 35 U.S.C. § 316(a)(4), and the PTO has adopted the broadest reasonable interpretation standard for IPR proceedings, 37 C.F.R. § 42.100(b). In the absence of evidence of congressional intent to abrogate the broadest reasonable interpretation standard, we should not act to adopt a different standard based on our own notions of appropriate public policy. If the standard is to be changed, that is a matter for Congress. There are pending bills which would do just that.[1]

PROST, *Chief Judge*, NEWMAN, MOORE, O'MALLEY, and REYNA, *Circuit Judges*, dissenting from the denial of the petition for rehearing en banc.

Inter partes review ("IPR") is a new, court-like proceeding designed to adjudicate the validity of issued patent claims. In adjudicatory proceedings,

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[1] *See* Innovation Act, H.R. 9, 114th Cong. § 9(b)(1)(C) (2015) (as reported by House Judiciary Committee on June 11, 2015, with Manager's Amendment in the nature of a substitute); PATENT Act, S. 1137, 114th Cong. § 11(a)(4)(A)(vii) (2015) (as reported by Senate Judiciary Committee on June 4, 2015, with Manager's Amendment in the nature of a substitute); STRONG Patents Act of 2015, S. 632, 114th Cong. § 102(a) (2015) (as introduced on March 3, 2015).

claims are given their actual meaning, not their broadest reasonable interpretation. For this reason, we respectfully dissent.

I

The panel majority holds that "Congress implicitly approved the broadest reasonable interpretation standard in enacting the [America Invents Act ("AIA")]." Revised Panel Op. at 16. This conclusion cannot stand, as it does, on a silent statute, a contrary legislative history, and a line of case law that counsels an opposite result.

First, the panel decision ignores the usual rule that, "[o]rdinarily, 'Congress' silence is just that—silence.'" *Cmty. for Creative Non-Violence v. Reid*, 490 U.S. 730, 749 (1989) (quoting *Alaska Airlines, Inc. v. Brock*, 480 U.S. 678, 686 (1987)); *see also Kimble v. Marvel Entm't*, LLC, 576 U.S. __, __ slip op. at 7 (2015) (Alito, J., dissenting) ("[I]t is at best treacherous to find in congressional silence alone the adoption of a controlling rule of law.") (quoting *Girouard v. United States*, 328 U.S. 61, 69 (1946)). While there may be occasions when a court may glean congressional intent from congressional inaction—for example, when there is a settled judicial interpretation of a statutory section which Congress then re-enacts without change, *see Lorillard, Div. v. Pons*, 434 U.S. 575, 580 (1978); *United States v. Powell*, 379 U.S. 48, 55 n.13 (1964); *cf. Jama v. Immigration & Customs Enforcement*, 543 U.S. 335, 351 (2005)—this is not such an occasion. There is no statutory section, reenacted by Congress, which has been subject of settled judicial interpretation in favor of the broadest reasonable interpretation. Nor could there be—the AIA is a new statutory regime. Although we have previously con-

sidered the appropriateness of the broadest reasonable interpretation in other U.S. Patent and Trademark Office ("PTO") proceedings, now we are deciding the proper interpretation of a new statute creating a wholly novel procedure. Silence has no meaning in this context.

Here, Congress was not legislating within an already existing regime. To the contrary, Congress created IPRs as a "new post-grant review procedure" that would provide "a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs." H.R. Rep. No. 112–98, pt. 1, at 40, 45 (2011). Originally, Congress established the reexamination process to effect this goal, but in light of the limitations, timing, and costs of these proceedings, Congress decided to start anew and establish new post-grant review procedures, including IPR, in the AIA. *See id.* at 45–46 (noting the problems with the reexamination process and Congress's attempts to remedy these issues with amendments before the enactment of the AIA). And it did so by "convert[ing] inter partes reexamination from an examinational to an adjudicative proceeding." *Id.* at 46; *see also id.* at 68 (stating that the AIA would "[e]stablish a new procedure, known as post-grant review," noting that this procedure "would take place in a court-like proceeding"). As the dissent aptly summarizes: "The post-grant proceedings established by the America Invents Act were intended as a far-reaching surrogate for district court validity determinations." Revised Dissenting Op. at 3. Congress's intent in creating a completely new type of PTO proceeding—one bearing the efficiency and finality of district court adjudications of patent validity—could not have been clearer. The panel majority fails to explain why Congress (or any-

one else) would have thought it desirable or necessary for the Board to construe the claims during IPRs under a different legal framework than the one used by district courts.

Second, our background of existing law not only fails to support the conclusion drawn by the panel majority, it points to the *opposite* result. Specifically, we have long explained that the broadest reasonable interpretation standard is a useful tool, *prior* to patent issuance, for clarifying the metes and bounds of an invention during the back-and-forth between the applicant and examiner when claims are not yet in their final form. *In re Prater*, 415 F.2d 1393, 1405 (CCPA 1969) ("Claims yet unpatented are to be given the broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims, the thought being to reduce the possibility that, after the patent is granted, the claims may be interpreted as giving broader coverage than is justified."); *In re Buszard*, 504 F.3d 1364, 1366–67 (Fed. Cir. 2007) ("The patent examiner and the applicant, in the give and take of rejection and response, work toward defining the metes and bounds of the invention to be patented."); *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989) ("[D]uring patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed.").

It is the same give-and-take between applicant and examiner that we have said likewise justifies use of the broadest reasonable interpretation standard in certain post-grant proceedings. *In re Yamamoto*, 740 F.2d 1569, 1572 (Fed. Cir. 1984). Indeed, when claims in post-grant proceedings are *not* eligible for modifi-

cation because they have expired, the broadest reasonable interpretation standard does not apply. *In re Rambus, Inc.*, 753 F.3d 1253, 1256 (Fed. Cir. 2014).

But in district court adjudications, where the applicant lacks "the ability to correct errors in claim language and adjust the scope of claim protection as needed," the broadest reasonable interpretation standard does not apply. *Yamamoto*, 740 F.2d at 1572. Rather, a district court "assign[s] a fixed, unambiguous, legally operative meaning to the claim." *Chimie v. PPG Indus., Inc.*, 402 F.3d 1371, 1377 (Fed. Cir. 2005). The point is to arrive at a "concise statement[] of the subject matter for which the statutory right to exclude is secured by the grant of the patent." *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1476, 1476 (Fed. Cir. 1998); *see also Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2129 (2014) ("[A] patent's claims, viewed in light of the specification and prosecution history, [must] inform those skilled in the art about the scope of the invention with reasonable certainty."). To find otherwise would ignore the difference between the broadest reasonable interpretation and what a patent *actually* claims. In obtaining a patent, a patentee discloses his invention to the public in exchange for a limited monopoly, as defined by the claims of the patent. To invalidate those claims using a different standard than one that considers the true meaning and scope of a claim would violate the bargain the patentee struck with the public.

IPRs should be no different. As in district court adjudications, the goal in IPRs is to provide an efficient and effective vehicle for examining the validity of an issued patent. And unlike the PTO proceedings in which we have sanctioned the broadest reasonable

interpretation standard, IPRs do not bear the traits that justify the broadest reasonable construction. During IPRs, there is no back-and-forth between the patentee and examiner seeking to resolve claim scope ambiguity; there is no robust right to amend. To the contrary, an IPR is a curtailed, trial-like proceeding meant to efficiently resolve a challenge to patent validity. It may only be instituted on limited grounds, 35 U.S.C. § 311(b), and must conclude within one year (unless extended for six months upon a showing of good cause), 35 U.S.C. § 316(a)(11). The proceeding consists of a brief period of discovery, one round of briefing by the petitioner and challenger, and an oral hearing, before the Board issues its final decision. During this process, the patentee is not given the right to amend its claims, but must instead seek the permission of the Board. 35 U.S.C. § 316(d). Even then, the patentee is limited to "one motion to amend," with additional motions allowed only "to materially advance the settlement of a proceeding" or "as permitted by regulations prescribed by the Director." *Id.* Given the absence of examinational hallmarks justifying the broadest reasonable interpretation standard in other contexts, and the similarities to district court litigation, it is unclear to us why the district court standard should not apply.

Even the panel majority acknowledges the adjudicative nature and the limited amendment process of IPRs. Revised Panel Op. at 14–16. Yet it brushes these distinctions aside without substantive analysis. With respect to adjudication, the panel majority's sole response is to claim that the adjudication/examination distinction is irrelevant, and to point to the interference proceeding as one which is "in some sense adjudicatory" and uses "a variant of the broadest reasonable interpretation standard." *Id.* at 16. This argu-

ment fails to address Congress's clear intent to equate the particular IPR proceedings at issue here with those occurring in district court.

With respect to amendments, the panel majority observes that "[a]lthough the opportunity to amend is cabined in the IPR setting, it is nonetheless available." *Id.* at 15. But the court fails to explain how a "cabined" amendment process fits within our prior case law emphasizing the "readily" available nature of amendments in other proceedings in which the broadest reasonable interpretation is appropriate. *Burlington Indus., Inc. v. Quigg*, 822 F.2d 1581, 1583 (Fed. Cir. 1987) ("Patent application claims are given their broadest reasonable interpretation during examination proceedings, *for the simple reason that before a patent is granted the claims are readily amended as part of the examination process.*") (emphasis added). We also find unclear the panel majority's observation that this particular case "does not involve any restriction on amendment opportunities that materially distinguishes IPR proceedings from their predecessors in the patent statute" and that, "[i]f there are challenges to be brought against other restrictions on amendment opportunities as incompatible with using the broadest reasonable interpretation standard, they must await another case." Revised Panel Op. at 15–16. If the opinion means to imply that the correctness of the broadest reasonable interpretation standard depends on the specific type of amendments available in a given IPR, we find the suggestion problematic, as we do not see how the Board can be expected to determine whether a certain amendment restriction calls for one claim construction standard or another.

II

Finally, the panel majority also holds that, even if "Congress did not itself approve the broadest reasonable interpretation standard in enacting the AIA, § 316 provides authority to the PTO to adopt the standard in a regulation." *Id.* at 17. According to the opinion, although § 316 does not grant the PTO the power to erect "substantive statutory 'patentability' standards," it nonetheless provides enough authority for the PTO to enact a regulation setting forth the standard by which claims shall be construed. *Id.* at 18. Concluding that *Chevron* deference therefore applies, the panel majority then decides that the adopted standard is reasonable "not just because of its pedigree but for context-specific reasons." *Id.*

It is far from clear to us that this is a case in which we must defer to the PTO's action. The panel majority bases its conclusion on subsections (2) and (4) of § 316. In our view, these subsections are consistent with Congress's previous grants of authority to prescribe *procedural* regulations. *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336 (Fed. Cir. 2008) (interpreting 35 U.S.C. § 2). Subsection (2) describes regulations specifying standards for the "showing of sufficient grounds to institute a review." These regulations specify the burden the petitioner must meet for an inter partes review to be instituted. *See* 37 C.F.R. § 42.108(c). Subsection (4) describes regulations "establishing and governing inter partes review." These regulations provide for IPR's existence and control how the proceeding is to be conducted. Any doubts about the scope of subsections (2) and (4) are resolved by looking to the remaining eleven subsections of § 316, which are distinctly procedural. *Direct Mktg. Ass'n v. Brohl*, 135 S. Ct. 1124, 1132 (2015).

The majority states that a claim construction standard falls within subsections (2) and (4) because it "affects both the PTO's determination of whether to institute IPR proceedings and the proceedings after institution." Revised Panel Op. at 17. But § 316 does not provide the authority to prescribe regulations on any issue that "affects" decisions to institute or later proceedings. The majority also asserts that the PTO's broadest reasonable interpretation regulation is the "opposite of a sharp departure from historical practice" because the PTO has long interpreted claims in this way. *Id.* at 18. Even if this were correct, basing the PTO's *authority* to prescribe a regulation on the content of that regulation puts the cart before the horse; the PTO's authority to prescribe a regulation must first be rooted in statute. *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 161 (2000).

Second, even if the regulation is properly classified as procedural, deference is still not warranted if the PTO's regulation "is contrary to the intent of Congress, as divined from the statute and its legislative history." *Muwwakkil v. Office of Pers. Mgmt.*, 18 F.3d 921, 925 (Fed. Cir. 1994). Here, Congress intended IPRs to be a viable alternative to district court adjudications of patent validity. Importing the broadest reasonable interpretation into IPRs "defeats the purpose of substituting administrative adjudication for district court adjudication." Revised Dissenting Op. at 15.

In any event, our joint dissent in this case does not turn on whether or not we apply deference to the agency. Even under the deferential *Chevron* framework, we would find the PTO's regulation unreasonable. *See Michigan v. EPA*, 576 U.S. __, __ slip op. at 6

(2015) ("Even under this deferential standard, however, 'agencies must operate within the bounds of reasonable interpretation.'") (quoting *Utility Air Regulatory Grp. v. EPA*, 573 U.S. __, __ (2014) (slip op., at 16) (internal quotation marks omitted)). As our prior cases explain, it makes perfect sense in the course of examining a new or revised claim, as means of clarifying the metes and bounds of an invention, that the PTO construe the claim as broadly as it might reasonably be construed in subsequent enforcement efforts. But in IPRs, as in district court litigation, an already issued claim is being analyzed solely for the purposes of determining its validity. In this context, it makes little sense to evaluate the claim against the prior art based on anything than the claim's actual meaning.

For these reasons, we respectfully dissent from the court's refusal to rehear this case en banc.

NEWMAN, *Circuit Judge*, dissenting from the denial of the petition for rehearing *en banc*.

I write further in view of the extensive *amicus curiae* participation in this rehearing *en banc* petition, representing the technology-based foundation of the national economy. The position that the PTO, on post-issuance review, should not apply the claim construction that is applied by the courts, and thus need not achieve the objectively correct determination of validity, has no defender other than a majority of the Federal Circuit court.

The loser in this debate is the nation, for the ambitious plan of the America Invents Act is thwarted—a plan to rehabilitate the patent-based innovation incentive by creating a new and powerful adjudicatory tribunal in the PTO, a tribunal that would apply the law

reliably and expertly, to achieve expedited and correct determination of patent validity.

A

All of the *amici curiae* criticize the panel majority position and urge *en banc* attention to this "matter of exceptional importance." The brief filed by the 3M Company, Caterpillar Inc., Eli Lilly and Company, General Electric Company, GlaxoSmithKline LLC, Illinois Tool Works Inc., Johnson & Johnson, Pfizer Inc., Procter & Gamble, and Sanofi US, states that together they "spend tens of billions of dollars annually and employ over a half million scientists, engineers and others in the United States alone to develop, produce, and market new products," and that they "collectively hold tens of thousands of patents [and] participate extensively in patent litigation." *Amicus Curiae* Br. of 3M *et al.* at 1. They advise the court that "the PTO's decision to use the BRI Rule is inconsistent with the AIA and sound patent policy." *Id.* at 2.

These *amici* "urge the Court to grant *en banc* review," and stress the importance of resolving this concern expeditiously, citing the thousands of current IPR proceedings. They state: "The lack of certainty as to the meaning (and therefore value) of a patent is costly to the inventive community and discourages innovation; it adversely affects patent licensing, design-around activities, and other critical business decisions, contrary to the goals of the AIA." *Id.* at 4. They observe that the "application of different standards in the PTO and judicial proceedings also means that each proceeding's claim construction has no estoppel effect for subsequent proceedings, further encouraging gamesmanship," and urge this court to cor-

rect the PTO's departure from congressional intent. *Id.*

The Intellectual Property Owners Association, citing its membership of "over 200 companies and 12,000 individuals involved in the association through their companies or as inventor, author, executive, law firm or attorney," Br. of IPO as *Amicus Curiae* at 1, states that: "The use of BRI in IPR proceedings is rapidly undermining the public's confidence in the patent system. The [*Cuozzo*] panel's decision upsets the settled expectation of inventors, patentees, and all others who depend on the patent system." *Id.* The IPO urges the *en banc* court to review the panel's ruling, for "[i]nvestment decisions relating to research and development of new inventions and the commercialization of previously patented ones are now being chilled." *Id.* at 4.

The Pharmaceutical Research and Manufacturers of America reminds the court that pursuit of medical advances requires enormous investments—roughly $40-50 billion annually—"made possible by clearly defined and predictable patent law protections." Br. of *Amicus Curiae* PhRMA at 1. The *amicus* describes the broadest reasonable interpretation standard in the new post-grant proceedings as an issue of "particular importance." *Id.* *Amicus* New York Intellectual Property Law Association reiterates that the "issue is of great importance and should be re-heard *en banc*." *Amicus Curiae* Br. of NYIPLA at 4.

The *amici* explain the commercial, economic, and pragmatic implications of the majority position. They stress the need for clarity and predictability in the law on which commercial decisions are made, they emphasize the legislative purpose of the America In-

vents Act, and ask this *en banc* court to guide agency understanding of the statute. The majority of the court appears unperturbed.

In contrast, the legislative record of the America Invents Act is full of testimony in elaboration of the concerns of the nation's industries, that the system of patents is of diminished service to industrial growth and competitiveness, despite this era of scientific promise and creativity. The America Invents Act is the culmination of several years of effort, focused on achieving stability and predictability of patent validity determinations.

The *amici curiae* stress the need for investment-reliable patent rights, and the AIA's purpose of establishing this new administrative adjudicative authority. This purpose collapses if the PTO applies a unique rule of patent claim construction, different from the law of claim construction that is applied in the courts. The public interest in technological advance, and the national interest in a vigorous economy served by growth, employment, creativity, and trade, require that this court accept the petition for *en banc* rehearing.

B

The America Invents Act established a new PTO tribunal in order to achieve rapid, efficient, and correct resolution of issues of patent validity that heretofore required trial in the district courts after controversy arose. All of the *amici curiae* stress the importance, the value, of this new adjudicative plan. Yet the legislative purpose fails if the PTO applies different law than is applied in the courts. As the *amici* point out, and as current experience illustrates, in-

stead of diminishing the gamesmanship, delay, and burdens of patent disputes, they are enhanced.

This was not the legislative intent.[1] As elaborated in my panel dissent and in today's *en banc* dissent, I tabulate some reasons why the "broadest reasonable interpretation" is the improper standard for America Invents Act post-issuance procedures:

- Claims of issued patents are construed the same way for validity as for infringement; no precedent, no practical reality, authorizes or tolerates a broader construction for one than the other.

- The broadest reasonable interpretation is an appropriate examination expedient, for it aids definition of claim scope during prosecution, with ready amendment of pending claims. In contrast, in the AIA proceedings amendment requires permission, and is limited even when permitted.

- With PTO construction of issued claims more broadly than the basis on which they were granted, the patentee must now defend, in these AIA proceedings, the validity of claim scope he did not obtain from the PTO during prosecution.

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[1] Corrective legislation, requiring that "each claim of a patent shall be construed as such claim would be in a civil action" has been enacted in bills approved by both the House and Senate committees, but has stalled because of unrelated areas of controversy. *See* 2015 Patent Reform Innovation Act, H.R. 9, 114th Cong. § 9(b)(1)(C) (2015); Patent Act, S. 1137, 114th Cong. § 11(a)(4)(A)(vii) (2015). Prompt resolution is reported to be unlikely.

- The AIA contemplated a streamlined surrogate tribunal for determination of validity. This requires that the same claim construction is applied in the PTO as in the district courts.

- The public notice role of patent claims requires the correct claim construction, not an arbitrarily broad construction of undefined limits.

- Neither the PTO nor any judicial precedent provides guidance as to how broad is "broadest," or sets any limits to this parameter. Predictability of legal rights, and stability of law, are replaced by fuzziness and uncertainty.

- The AIA designed the new PTO tribunal to "review the validity of a patent." It was expected that the PTO would apply the correct law of validity, while drawing on PTO expertise in technology and PTO experience in patent law. It cannot have been intended that the PTO would not apply the correct law in these new post-grant proceedings.

The concurrence, in reinforcing denial of *en banc* review, states that claims of issued patents have been given their "broadest" interpretation for a hundred years, citing patent interferences and reissues. *See* Concurring Op. at 1–2. Any practitioner of patent interferences knows that the PTO, in determining conception, reduction to practice, corroboration, diligence, experimental support, etc., did not apply a "broadest" interpretation of anything. And reissues are directed to correction of the patentee's error; the purpose is to achieve correctness, not breadth. Contrary to the concurrence, the question before this court is not whether to "eliminate" BRI, but whether

to impose it on issued patents, where it has not previously reposed.

This is a simple question, although of powerful consequence. As urged by the *amici curiae*, it should be answered correctly.

APPENDIX D

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

IN RE CUOZZO SPEED TECHNOLOGIES, LLC.

2014-1301

Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2012-00001.

Decided: February 4, 2015

Before NEWMAN, CLEVENGER, and DYK, *Circuit Judges.*

Opinion for the court filed by *Circuit Judge* DYK.

Dissenting opinion filed by *Circuit Judge* NEWMAN.

DYK, *Circuit Judge.*

Cuozzo Speed Technologies ("Cuozzo") owns U.S. Patent No. 6,778,074 (the "'074 patent"). Garmin International, Inc. and Garmin USA, Inc. (collectively, "Garmin") petitioned the United States Patent and Trademark Office ("PTO") for inter partes review ("IPR") of claims 10, 14, and 17 of the '074 patent. The PTO granted Garmin's petition and instituted IPR. The Patent Trial and Appeal Board (the

"Board") timely issued a final decision finding claims 10, 14, and 17 obvious. The Board additionally denied Cuozzo's motion to amend the '074 patent by substituting new claims 21, 22, and 23 for claims 10, 14, and 17.

Contrary to Cuozzo's contention, we hold that we lack jurisdiction to review the PTO's decision to institute IPR. We affirm the Board's final determination, finding no error in the Board's claim construction under the broadest reasonable interpretation standard, the Board's obviousness determination, and the Board's denial of Cuozzo's motion to amend.

BACKGROUND

Cuozzo is the assignee of the '074 patent, entitled "Speed Limit Indicator and Method for Displaying Speed and the Relevant Speed Limit," which issued on August 17, 2004. The '074 patent discloses an interface which displays a vehicle's current speed as well as the speed limit. In one embodiment, a red filter is superimposed on a white speedometer so that "speeds above the legal speed limit are displayed in red while the legal speeds are displayed in white " *Id.* col. 5 ll. 35–37. A global positioning system ("GPS") unit tracks the vehicle's location and identifies the speed limit at that location. The red filter automatically rotates when the speed limit changes, so that the speeds above the speed limit at that location are displayed in red. The patent also states that the speed limit indicator may take the form of a colored liquid crystal display ("LCD"). *Id.* col. 3 ll. 4–6, col. 6 ll. 11–14. In claim 10, the independent claim at issue here, a colored display shows the current speed limit, and the colored display is "integrally attached" to the speedometer. *Id.* col. 7 l. 10.

Claim 10 recites:

> A speed limit indicator comprising:
> a global positioning system receiver;
> a display controller connected to said global positioning system receiver, wherein said display controller adjusts a colored display in response to signals from said global positioning system receiver to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location; and
> a speedometer integrally attached to said colored display.

Id. col. 7 ll. 1–10. Claim 14 is addressed to "[t]he speed limit indicator as defined in claim 10, wherein said colored display is a colored filter." *Id.* col. 7 ll. 23–24. Claim 17 recites: "[t]he speed limit indicator as defined in claim 14, wherein said display controller rotates said colored filter independently of said speedometer to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location." *Id.* col. 8 ll. 5–9.

On September 16, 2012, Garmin filed a petition with the PTO to institute IPR of, *inter alia*, claims 10, 14, and 17 the '074 patent. Garmin contended that claim 10 was invalid as anticipated under 35 U.S.C. § 102(e) or as obvious under 35 U.S.C. § 103(a) and that claims 14 and 17 were obvious under § 103(a). The PTO instituted IPR, determining that there was a reasonable likelihood that claims 10, 14, and 17 were obvious under § 103 over (1) U.S. Patent Nos. 6,633,811 ("Aumayer"), 3,980,041 ("Evans"), and 2,711,153 ("Wendt"); and/or (2) German Patent No. 197 55 470 ("Tegethoff"), U.S. Patent No. 6,515,596 ("Awada"), Evans, and Wendt. Although Garmin's

petition with respect to claim 17 included the grounds on which the PTO instituted review, the petition did not list Evans or Wendt for claim 10 or Wendt for claim 14.

In its subsequent final decision, the Board explained that "[a]n appropriate construction of the term 'integrally attached' in independent claim 10 is central to the patentability analysis of claims 10, 14, and 17." J.A. 7. The Board applied a broadest reasonable interpretation standard and construed the term "integrally attached" as meaning "discrete parts physically joined together as a unit without each part losing its own separate identity." J.A. 9. The Board found that claims 10, 14, and 17 were unpatentable as obvious under 35 U.S.C. § 103 (1) over Aumayer, Evans, and Wendt; and, alternatively, (2) over Tegethoff, Awada, Evans, and Wendt.

The Board also denied Cuozzo's motion to amend the patent by replacing claims 10, 14, and 17 with substitute claims 21, 22, and 23. The Board's denial of the motion to amend centered on proposed claim 21.[1] Claim 21 would have amended the patent to claim "a speedometer integrally attached to [a] colored display, wherein the speedometer comprises a liquid crystal display, and wherein the colored display is the liquid crystal display." J.A. 357–58. The Board rejected the amendment because (1) substitute claim 21 lacked written description support as required by 35 U.S.C. § 112, and (2) the substitute claims would improperly enlarge the scope of the claims as construed by the Board.

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[1] The parties do not separately address claims 22 and 23 and apparently agree that the motion for leave to amend on those claims presents the same issues as claim 21.

Cuozzo appealed. The PTO intervened, and we granted Garmin's motion to withdraw as appellee.[2] We have jurisdiction to review the Board's final decision under 28 U.S.C. § 1295(a)(4)(A).

DISCUSSION

I

IPRs proceed in two phases. *St. Jude Med., Cardiology Div., Inc. v. Volcano Corp.*, 749 F.3d 1373, 1375–76 (Fed. Cir. 2014). In the first phase, the PTO determines whether to institute IPR. In the second phase, the Board conducts the IPR proceeding and issues a final decision. *Id.*

Cuozzo argues that the PTO improperly instituted IPR on claims 10 and 14 because the PTO relied on prior art that Garmin did not identify in its petition as grounds for IPR as to those two claims (though the prior art in question was identified with respect to claim 17). Under the statute, any petition for IPR must "identif[y] with particularity the grounds on which the challenge to each claim is based" 35 U.S.C. § 312(a)(3). Cuozzo argues that the PTO may only institute IPR based on grounds identified in the petition because "[t]he Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition and any response shows that there is a reasonable likelihood that the petitioner would prevail" *Id.* § 314(a).

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[2] Garmin filed a motion to withdraw because it agreed not to participate in any appeal of the IPR written decision as part of a settlement agreement with Cuozzo.

Section 314(d) is entitled "No appeal" and provides that "[t]he determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable." 35 U.S.C. § 314(d). The PTO argues that § 314(d) precludes review of a determination to institute IPR. Cuozzo argues that § 314(d) does not completely preclude review of the decision to institute IPR, but instead merely postpones review of the PTO's authority until after the issuance of a final decision by the Board.

We have previously addressed § 314(d) and have held that it precludes interlocutory review of decisions whether to institute IPR. In *St. Jude*, we characterized § 314(d) as a "broadly worded bar on appeal" and held that § 314(d) "certainly bars" interlocutory review of the PTO's denial of a petition for IPR. 749 F.3d at 1375–76. This result was supported by § 319, which "authorizes appeals to this court only from 'the final written decision of the [Board] '" *Id.* at 1375 (quoting 35 U.S.C. § 319) (alteration in original). Similarly, the bar to interlocutory review is supported by 35 U.S.C. § 141(c), which "authorizes appeal only by 'a party to an inter partes review. who is dissatisfied with the final written decision of the [Board] under section 318(a).'" *Id.* (quoting 35 U.S.C. § 141(c)) (alterations in original). But while we stated that § 314 "may well preclude all review by any route," we did not decide the issue. *Id.* at 1376.

We conclude that § 314(d) prohibits review of the decision to institute IPR even after a final decision. On its face, the provision is not directed to precluding review only before a final decision. It is written to exclude all review of the decision whether to institute review. Section 314(d) provides that the decision is both "nonappealable" and "final," i.e., not subject to

further review. 35 U.S.C. § 314(d). A declaration that the decision to institute is "final" cannot reasonably be interpreted as postponing review until after issuance of a final decision on patentability. Moreover, given that § 319 and § 141(c) already limit appeals to appeals from final decisions, § 314(d) would have been unnecessary to preclude non-final review of institution decisions. Because § 314(d) is unnecessary to limit interlocutory appeals, it must be read to bar review of all institution decisions, even after the Board issues a final decision. Nor does the IPR statute expressly limit the Board's authority at the final decision stage to the grounds alleged in the IPR petition. It simply authorizes the Board to issue "a final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added under section 316(d)." 35 U.S.C. § 318(a).

Our decision in *In re Hiniker Co.*, 150 F.3d 1362, 1367 (Fed. Cir. 1998), confirms the correctness of the PTO's position here. There, even absent a provision comparable to § 314(d),[3] we held that a flawed decision to institute reexamination under 35 U.S.C. § 303 was not a basis for setting aside a final decision. *Hiniker*, 150 F.3d at 1367. Under the statute at issue in *Hiniker*, reexamination could only be instituted if the Commissioner determined that there was "a substantial new question of patentability," i.e., new prior art not considered by the examiner. 35 U.S.C. § 303(a) (1994). In *Hiniker*, the PTO instituted reexamination based on prior art considered in the original examination (Howard). *Hiniker*, 150 F.3d at 1365. But the

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[3] Unlike § 314, the reexamination statute only provides that "[a] determination by the Commissioner. that *no* substantial new question of patentability has been raised will be final and nonappealable." 35 U.S.C. § 303(c) (1994) (emphasis added).

PTO's final decision relied on East (which had not been before the examiner in the initial examination) in finding the claims invalid. *Id.* at 1366. We held that our jurisdiction was only "over Hiniker's appeal from the [final] decision of the Board." *Id.* at 1367. While the final decision would have been subject to reversal if it had improperly relied only on prior art presented to the examiner,[4] any error in instituting reexamination based on the Howard reference was "washed clean during the reexamination proceeding," which relied on new art. *Id.* The fact that the petition was defective is irrelevant because a proper petition could have been drafted. The same is even clearer here, where § 314(d) explicitly provides that there is no appeal available of a decision to institute. There was no bar here to finding claims 10 and 14 unpatentable based on the Evans and/or Wendt references. The failure to cite those references in the petition provides no ground for setting aside the final decision.

Cuozzo argues that Congress would not have intended to allow the PTO to institute IPR in direct contravention of the statute, for example, on grounds of prior public use where the IPR statute permits petitions only on the basis of "prior art consisting of patents or printed publications." 35 U.S.C. § 311. The answer is that mandamus may be available to challenge the PTO's decision to grant a petition to institute IPR after the Board's final decision in situations where the PTO has clearly and indisputably exceeded its authority.

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[4] *See In re Portola Packaging, Inc.*, 110 F.3d 786, 789, *superseded by statute as recognized by In re NTP, Inc.*, 654 F.3d 1268, 1277 (Fed. Cir. 2011); *In re Recreative Techs. Corp.*, 83 F.3d 1394 (Fed. Cir. 1996). Congress subsequently amended the statute to provide for consideration of prior art before the examiner. 35 U.S.C. § 303.

The PTO argues that our previous decisions preclude mandamus. In *In re Dominion Dealer Solutions, LLC*, 749 F.3d 1379, 1381 (Fed. Cir. 2014), we held that mandamus relief was not available to challenge the denial of a petition for IPR. Given the statutory scheme, there was no "'clear and indisputable right' to challenge a non-institution decision directly in this court," as required for mandamus. *Id.* And in *In re Procter & Gamble Co.*, 749 F.3d 1376, 1378–79 (Fed. Cir. 2014), we held that mandamus was not available to provide immediate review of a decision to institute IPR. There was no "clear and indisputable right to this court's immediate review of a decision to institute an inter partes review, as would be needed for mandamus relief." *Id.* at 1379. Furthermore, that "[wa]s not one of the rare situations in which irremediable interim harm c[ould] justify mandamus, which is unavailable simply to relieve [the patentee] of the burden of going through the inter partes review." *Id.* (citation omitted). However, we did not decide the question of whether the decision to institute review is reviewable by mandamus after the Board issues a final decision or whether such review is precluded by § 314(d). *Id.* Nor do we do so now.

Even if § 314 does not bar mandamus after a final decision, at least "three conditions must be satisfied before [a writ of mandamus] may issue." *Cheney v. U.S. Dist. Court for the D.C.*, 542 U.S. 367, 380, 124 S.Ct. 2576, 159 L.Ed.2d 459 (2004). "First, 'the party seeking issuance of the writ [must] have no other adequate means to attain the relief he desires.'" *Id.* (quoting *Kerr v. U.S. Dist. Court for the N. Dist. of Cal.*, 426 U.S. 394, 403, 96 S.Ct. 2119, 48 L.Ed.2d 725 (1976) (alteration in original)). That condition appears to be satisfied since review by appeal is unavailable. "Second, the petitioner must satisfy 'the burden

of showing that his right to issuance of the writ is clear and indisputable.'" *Id.* at 381, 124 S.Ct. 2576 (internal quotations, citation, and alterations omitted). "Third, the issuing court, in the exercise of its discretion, must be satisfied that the writ is appropriate under the circumstances." *Id.* (citation omitted).

Here, Cuozzo has not filed a mandamus petition, but even if we were to treat its appeal as a request for mandamus,[5] the situation here is far from satisfying the clear-and-indisputable requirement for mandamus. It is not clear that IPR is strictly limited to the grounds asserted in the petition. The PTO urges that instituting IPR of claims 10 and 14 based on the grounds for claim 17 was proper because claim 17 depends from claim 14, which depends from claim 10. Any grounds which would invalidate claim 17 would by necessary implication also invalidate claims 10 and 14. *See Callaway Golf Co. v. Acushnet Co.*, 576 F.3d 1331, 1344 (Fed. Cir. 2009) ("A broader independent claim cannot be nonobvious where a dependent claim stemming from that independent claim is invalid for obviousness."). The PTO argues that Garmin implicitly asserted that claims 10 and 14 were unpatentable when it asserted that claim 17 was unpatentable. Whether or not the PTO is correct in these aspects, it is at least beyond dispute there is no clear and indisputable right that precludes institution of the IPR proceeding. We need not decide whether mandamus

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[5] *See* 16 Charles A. Wright, Arthur R. Miller & Edward H. Cooper, *Federal Practice and Procedure* § 3932.1 (3d ed. 2012) ("Many cases illustrate the seemingly converse proposition that an appeal can substitute for a writ in the sense that an attempted appeal from an order that is nonappealable can be treated as a petition for a writ." (citations omitted)).

to review institution of IPR after a final decision is available in other circumstances.

II

Cuozzo contends in addition that the Board erred in finding the claims obvious, arguing initially that the Board should not have applied the broadest reasonable interpretation standard in claim construction.

A

The America Invents Act ("AIA") created IPR, but the statute on its face does not resolve the issue of whether the broadest reasonable interpretation standard is appropriate in IPRs; it is silent on that issue. However, the statute conveys rulemaking authority to the PTO. It provides that "[t]he Director shall prescribe regulations," *inter alia*, "setting forth the standards for the showing of sufficient grounds to institute review," and "establishing and governing inter partes review and the relationship of such review to other proceedings " 35 U.S.C. § 316(a)(2), (a)(4). Pursuant to this authority, the PTO has promulgated 37 C.F.R. § 42.100(b), which provides that "[a] claim in an unexpired patent shall be given its broadest reasonable construction in light of the specification of the patent in which it appears." 37 C.F.R. § 42.100(b). Cuozzo argues that the PTO lacked authority to promulgate § 42.100(b) and that the broadest reasonable interpretation standard is inappropriate in an adjudicatory IPR proceeding. The PTO argues that 35 U.S.C. § 316 provides the necessary authority to the PTO to promulgate § 42.100(b) and that the broadest reasonable interpretation is appropriately applied in the IPR context.

1

Before addressing the scope of the PTO's rulemaking authority, we consider the history of the broadest reasonable interpretation standard and the bearing of that history on the interpretation of the IPR statute. No section of the patent statute explicitly provides that the broadest reasonable interpretation standard shall be used in any PTO proceedings.

Nonetheless, the broadest reasonable interpretation standard has been applied by the PTO and its predecessor for more than 100 years in various types of PTO proceedings. A 1906 PTO decision explained, "[n]o better method of construing claims is perceived than to give them in each case the broadest interpretation which they will support without straining the language in which they are couched." *Podlesak v. McInnerney*, 1906 Dec. Comm'r Pat. 265, 258. For more than a century, courts have approved that standard. *See, e.g., Miel v. Young*, 29 App. D.C. 481, 484 (D.C. Cir. 1907) ("This claim should be given the broadest interpretation which it will support "); *In re Rambus, Inc.*, 753 F.3d 1253, 1255 (Fed. Cir. 2014) ("Claims are generally given their 'broadest reasonable interpretation' consistent with the specification during reexamination." (citation omitted)); *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004) ("Giving claims their broadest reasonable construction 'serves the public interest by reducing the possibility that claims, finally allowed, will be given broader scope than is justified.'" (quoting *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984))); *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) ("[W]e reject appellants' invitation to construe either of the cases cited by appellants so as to overrule, *sub silentio*, decades old case law. It would be incon-

sistent with the role assigned to the PTO in issuing a patent to require it to interpret claims in the same manner as judges who, post-issuance, operate under the assumption the patent is valid. The process of patent prosecution is an interactive one."); *In re Carr*, 297 F 542, 544 (D.C. Cir. 1924) ("For this reason we have uniformly ruled that claims will be given the broadest interpretation of which they reasonably are susceptible. This rule is a reasonable one, and tends not only to protect the real invention, but to prevent needless litigation after the patent has issued."); *In re Kebrich*, 40 C.C.P.A. 780, 201 F.2d 951, 954 (1953) ("[I]t is well settled that the tribunals [of the PTO] and the reviewing courts in the initial consideration of patentability will give claims the broadest interpretation which, within reason, may be applied.").

This court has approved of the broadest reasonable interpretation standard in a variety of proceedings, including initial examinations, interferences, and post-grant proceedings such as reissues and reexaminations. Indeed, that standard has been applied in every PTO proceeding involving unexpired patents.[6] In doing so, we have cited the long history of the PTO's giving claims their broadest reasonable construction. *See, e.g., Yamamoto*, 740 F.2d at 1571–72 (reexaminations); *In re Reuter*, 670 F.2d 1015, 1019 (CCPA 1981) (reissues); *Reese v. Hurst*, 661 F.2d 1222, 1236 (CCPA

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[6] The claims of an expired patent are the one exception where the broadest reasonable interpretation is not used because the patentee is unable to amend the claims. *Rambus*, 753 F.3d at 1256 ("If, as is the case here, a reexamination involves claims of an expired patent, a patentee is unable to make claim amendments and the PTO applies the claim construction principles outlined by this court in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005)." (citations omitted)).

1981) (interferences); *In re Prater*, 56 C.C.P.A. 1381, 415 F.2d 1393, 1404–05 (1969) (examinations). Applying the broadest reasonable interpretation standard "reduce[s] the possibility that, after the patent is granted, the claims may be interpreted as giving broader coverage than is justified." *Reuter*, 670 F.2d at 1015 (quoting *Prater*, 415 F.2d at 1404–05).

There is no indication that the AIA was designed to change the claim construction standard that the PTO has applied for more than 100 years. Congress is presumed to legislate against the background of existing law where Congress in enacting legislation is aware of the prevailing rule. As we held in *GPX International Tire Corp. v. United States*, "the principle of legislative ratification is well established. In the case of a widely known judicial decision or agency practice, Congress is presumed to be aware of an administrative or judicial interpretation of a statute and to adopt that interpretation when it re-enacts a statute without change." 666 F.3d 732, 739 (Fed. Cir. 2011) (internal quotation marks and citations omitted), *superseded in part by statute as recognized in* 678 F.3d 1308 (Fed. Cir. 2012); *Astoria Fed. Sav. & Loan Ass'n v. Solimino*, 501 U.S. 104, 110, 111 S.Ct. 2166, 115 L.Ed.2d 96 (1991); *Procter & Gamble Co. v. Kraft Foods Global*, 549 F.3d 842, 848–49 (Fed. Cir. 2008) (improper to presume that congress would alter the backdrop of existing law *sub silentio*).

Here, Congress in enacting the AIA was well aware that the broadest reasonable interpretation standard was the prevailing rule. *See* 157 Cong. Rec. S1375 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (allowing written statements to be considered in inter partes review "should allow the Office to identify inconsistent statements made about claim scope—for

example, cases where a patent owner successfully advocated a claim scope in district court that is broader than the 'broadest reasonable construction' that he now urges in an inter partes review"). It can therefore be inferred that Congress impliedly adopted the existing rule of adopting the broadest reasonable construction.

Cuozzo argues that judicial or congressional approval of the broadest reasonable interpretation standard for other proceedings is irrelevant here because the earlier judicial decisions relied on the availability of amendment, and the AIA limits amendments in IPR proceedings.[7]

But IPR proceedings are not materially different in that respect. Section 316(d)(1) provides that a patentee may file one motion to amend in order to "[c]ancel any challenged patent claim" or "[f]or each challenged claim, propose a reasonable number of substitute claims," 35 U.S.C. § 316(d)(1), though "[a]n

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[7] *See, e.g., Yamamoto*, 740 F.2d at 1571–72 ("An applicant's *ability to amend his claims* to avoid cited prior art distinguishes proceedings before the PTO from proceedings in federal district courts on issued patents." (emphasis added)); *Reuter*, 670 F.2d at 1019 ("It is well settled that claims before the PTO are to be given their broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims " (internal quotation marks omitted)); *Prater*, 415 F.2d at 1404–05 ("[T]his court has consistently taken the tack that claims yet unpatented are to be given the broadest reasonable interpretation consistent with the specification during the examination of a patent application since the applicant may then amend his claims . "); *see also, e.g., In re Skvorecz*, 580 F.3d 1262, 1267 (Fed. Cir. 2009) ("As explained in the Manual of Patent Examining Procedure (MPEP) , Applicant always has the opportunity to amend the claims during prosecution " (internal quotation marks omitted)).

amendment may not enlarge the scope of the claims of the patent or introduce new matter," *id.* § 316(d)(3). The PTO regulations provide that "[a] patent owner may file one motion to amend a patent, but only after conferring with the Board." 37 C.F.R. § 42.221(a). "The presumption is that only one substitute claim would be needed to replace each challenged claim, and it may be rebutted by a demonstration of need." *Id.* § 42.221(a)(3). The statute also provides that "[a]dditional motions to amend may be permitted upon the joint request of the petitioner and the patent owner. " 35 U.S.C. § 316(d)(2). "A motion to amend may be denied where" the amendment either "does not respond to a ground of unpatentability involved in the [IPR] trial" or "seeks to enlarge the scope of the claims of the patent or introduce new subject matter." 37 C.F.R. § 42.221(a)(2).

Although the opportunity to amend is cabined in the IPR setting, it is thus nonetheless available. The fact that the patent owner may be limited to a single amendment, may not broaden the claims, and must address the ground of unpatentability is not a material difference. Nor is the fact that IPR may be said to be adjudicatory rather than an examination. Interference proceedings are also in some sense adjudicatory, *see Brand v. Miller*, 487 F.3d 862, 867–68 (Fed. Cir. 2007) (characterizing interference proceedings as adjudicatory and holding that the Board's decision be reviewed on the record), yet the broadest reasonable interpretation standard applies, *see Genentech, Inc. v. Chiron Corp.*, 112 F.3d 495, 500 (Fed. Cir. 1997) ("In the absence of ambiguity, it is fundamental that the language of a count should be given the broadest reasonable interpretation it will support " (quoting *In re Baxter*, 656 F.2d 679, 686 (CCPA 1981))). In any event, Congress in enacting the AIA was aware of

these differences in terms of amendments and adjudication and did not provide for a different standard than the broadest reasonable interpretation standard. We conclude that Congress implicitly adopted the broadest reasonable interpretation standard in enacting the AIA.

2

Even if we were to conclude that Congress did not adopt the broadest reasonable interpretation standard in enacting the AIA, § 316 provides authority to the PTO to conduct rulemaking. Although we have previously held that 35 U.S.C. § 2(b) does not grant substantive rulemaking authority to the PTO,[8] *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1335–36 (Fed. Cir. 2008), the AIA granted new rulemaking authority to the PTO. Section 316(a)(2) provides that the PTO shall establish regulations "setting forth the stand-

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[8] Section 2 provides, in relevant part:

(b) Specific Powers.—the Office—

. .

(2) may establish regulations, not inconsistent with law, which

(A) shall govern the conduct of proceedings in the Office;

(B) shall be made in accordance with section 553 of title 5;

(C) shall facilitate and expedite the processing of patent applications, particularly those which can be filed, stored, processed, searched, and retrieved electronically, subject to the provisions of section 122 relating to the confidential status of applications[.]

35 U.S.C. § 2(b)(2)(A)–(C).

ards for the showing of sufficient grounds to institute a review " 35 U.S.C. § 316(a)(2). Section 316(a)(4) further provides the PTO with authority for "establishing and governing inter partes review under this chapter and the relationship of such review to other proceedings under this title." *Id.* § 316(a)(4). These provisions expressly provide the PTO with authority to establish regulations setting the "standards" for instituting review and regulating IPR proceedings. The broadest reasonable interpretation standard affects both the PTO's determination of whether to institute IPR proceedings and the proceedings after institution and is within the PTO's authority under the statute.

Because Congress authorized the PTO to prescribe regulations, the validity of the regulation is analyzed according to the familiar *Chevron* framework. *See United States v. Mead Corp.*, 533 U.S. 218, 226–27, 121 S.Ct. 2164, 150 L.Ed.2d 292 (2001); *Wilder v. Merit Sys. Prot. Bd.*, 675 F.3d 1319, 1322 (Fed. Cir. 2012). Under *Chevron*, the first question is "whether Congress has directly spoken to the precise question at issue." *Chevron, U.S.A. v. Natural Res. Def. Council, Inc.*, 467 U.S. 837, 842, 104 S.Ct. 2778, 81 L.Ed.2d 694 (1984); *accord Cooper*, 536 F.3d at 1337 (quoting *Hawkins v. United States*, 469 F.3d 993, 1000 (Fed. Cir. 2006)). If the statute is ambiguous, the second question is "whether the agency's interpretation is based on a permissible construction of the statutory language at issue." *Cooper*, 536 F.3d at 1338 (quoting *Hawkins*, 469 F.3d at 1000).

In the text of the IPR statute, Congress was silent on the subject of claim construction standards, and, if we assume *arguendo* that it did not adopt the broadest reasonable interpretation standard, step one of

Chevron is satisfied. We proceed to step two of the *Chevron* analysis. The regulation here presents a reasonable interpretation of the statute. The PTO has long applied the broadest reasonable interpretation standard in other proceedings, suggesting that a broadest reasonable interpretation standard is appropriate in IPRs. As discussed above, the policy rationales for the broadest reasonable interpretation standard in other examination proceedings also apply in the IPR context. The statute also provides for the PTO to exercise discretion to consolidate an IPR with another proceeding before the PTO. *See* 35 U.S.C. § 315(d). The possibility of consolidating multiple types of proceedings suggests a single claim construction standard across proceedings is appropriate. 37 C.F.R. § 42.221(a) reflects a permissible construction of the statutory language in § 316(a). Even if the broadest reasonable interpretation standard were not incorporated into the IPR provisions of the statute, the standard was properly adopted by PTO regulation.

B

The second issue is whether the Board here properly construed the claims under the broadest reasonable interpretation standard. We review the Board's claim construction according to the Supreme Court's decision in *Teva Pharmaceuticals U.S.A., Inc. v. Sandoz, Inc.*,____ U.S. ____, 135 S. Ct. 831, 841, ____ L.Ed.2d ____ (2015). We review underlying factual determinations concerning extrinsic evidence for substantial evidence and the ultimate construction of the claim de novo. *See id.* Because there is no issue here as to extrinsic evidence, we review the claim construction de novo.

Claim 10 includes the following limitation: "a speedometer integrally attached to said colored display." '074 patent col. 7 l. 10. Cuozzo argues that the board improperly construed the phrase "integrally attached." The Board construed "integrally attached" as meaning "discrete parts physically joined together as a unit without each part losing its own separate identity." J.A. 9. Cuozzo contends that the correct construction of "integrally attached" should be broader—"joined or combined to work as a complete unit." Appellant's Br. 33. Before the Board, Cuozzo stated that its construction would cover "a display that both functionally and structurally integrates the speedometer and the colored display, such that there only is a single display." J.A. 10. Cuozzo argues that the Board's claim construction improperly excludes a single-LCD embodiment of the invention wherein the speedometer and the speed limit indicator are on the same LCD.

The phrase "integrally attached" was not included in either the specification or the claims as originally filed. The phrase was introduced by an amendment to claim 10 to overcome a rejection that the claim was anticipated under § 102(e) by Awada.[9]

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[9] Claim 10 of the '074 patent corresponds to the claim numbered as claim 11 during patent prosecution.

Prior to amendment, claim 10 included the limitation: "a speedometer attached to said speed limit display." J.A. 100. Cuozzo's proposed amendment to that limitation recited "a speedometer integrally attached to said colored display." *Id.* In proposing the amendment, Cuozzo argued that the amendment overcame Awada because

> "[t]he cited Awada (6,515,596) lacks a speedometer integrally attached to the speed limit display The vehicle's driver is forced to look in two

We see no error in the Board's interpretation. The word "attached" must be given some meaning. As the Board explained, it would "be illogical to regard one unit as being 'attached' to itself." J.A. 9. The specification further supports the Board's construction that the speedometer and the speed limit are independent—it repeatedly refers to a speed limit indicator independent of any speedometer and states that "the present invention essentially comprises a speed limit indicator comprising a speed limit display and an attached speedometer." '074 patent col. 2 ll. 52–54. The Board did not err in its claim construction.

C

The third question is whether claims 10, 14, and 17 were obvious. We review the Board's factual findings for substantial evidence and review its legal conclusions de novo. *In re Baxter Int'l, Inc.*, 678 F.3d 1357, 1361 (Fed. Cir. 2012). The ultimate determination of obviousness under § 103 is a question of law based on underlying factual findings. *Id.* (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966)). What a reference teaches and the differences between the claimed invention and the prior art are questions of fact which we review for substantial evidence. *Id.* (citations omitted). Cuozzo states that, "[f]or the pur-

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> separate locations and then mentally compare the speed limit with his vehicle's speed to determine how close he is to speeding if he is not already doing so sufficiently to activate the light and/or tone. In contrast, the present invention provides an integrated display allowing the driver to immediately ascertain both his speed and its relation to the prevailing speed limit."
>
> J.A. 104–105.

poses of this appeal, claims 10, 14, and 17 rise and fall together." Appellant Br. 17 n.1. Therefore, we analyze only claim 10.

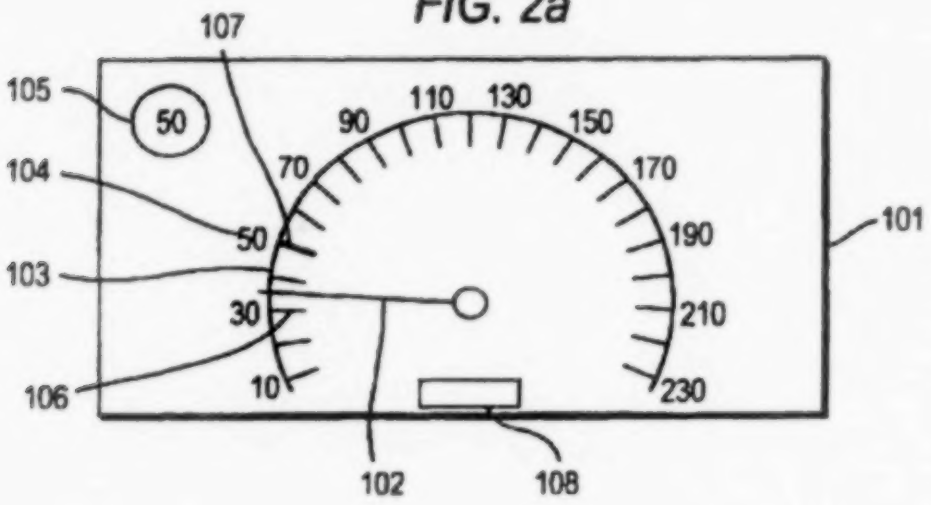
Even under its own claim construction, Cuozzo agrees that the disclosed mechanical embodiment with a red colored filter is within the claim scope. In the analog embodiment disclosed in the specification, a red filter is superimposed on a white speedometer so that "speeds above the legal speed limit are displayed in red while the legal speeds are displayed in white " '074 patent col. 5 ll. 35–37. A GPS unit tracks the vehicle's location, and the speed limit at that location is determined. The red filter automatically rotates in response so that speeds over the legal speed limit are displayed in red.

It is a "long-established rule that 'claims which are broad enough to read on obvious subject matter are unpatentable even though they also read on nonobvious subject matter.'" *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1328 n.4 (quoting *In re Lintner*, 59 C.C.P.A. 1004, 458 F.2d 1013, 1015 (1972)) (internal alterations omitted). Thus if the mechanical embodiment is obvious, claim 10 is obvious. The Board determined that the mechanical embodiment was obvious over Aumayer, Evans, and Wendt. We see no error in that determination.

Aumayer discloses a display which shows a vehicle's speed and indicates the current speed limit by highlighting the appropriate mark on a speed scale or by producing a scale mark of a different length or color. Aumayer col. ll. 12, col. 5 ll. 19–31. Aumayer further teaches obtaining the current location of a vehicle from an on-board GPS, *id.* Abstract, col. 4 ll. 41–45, and "updating the speed limit data stored in the

vehicle by means of a radio connection by means of a data carrier," *id.* col. 2 ll. 54–57. Figure 2a provides an illustration:

FIG. 2a



Element 105 displays a maximum speed limit, and element 107 highlights this same speed limit on the speed scale. The pointer designated by element 102 displays the vehicle's current speed.

Evans discloses a transparent plate that "bears warning indicia, for example, a special color and/or a plurality of marks, spaces, ridges, etc. so that when the speedometer dial is viewed through it, a portion of the dial representing speeds in excess of a predetermined limit are demarked by the warning indicia." Evans col. 2 ll. 3–8. The plate is generally fixed but can be removed and recut and/or repositioned in order to extend over a different range of numbers on the dial. Figure 3 is illustrative:

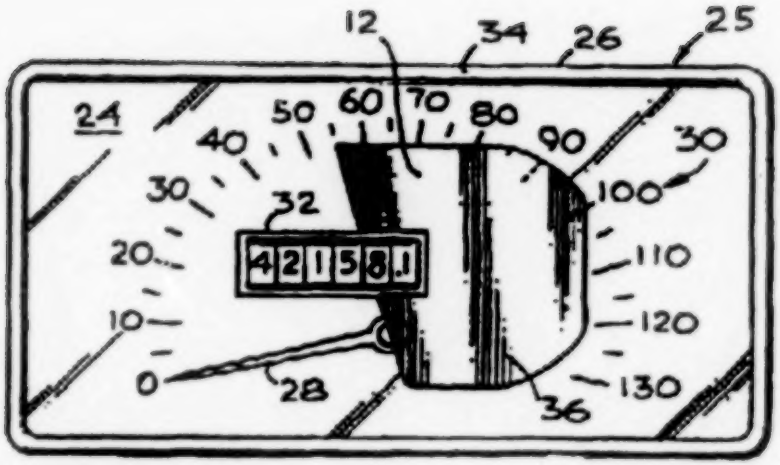


Fig. 3

Wendt discloses a speed limit indicator which is attachable by a suction cup to the cover of a speedometer. The indicator has a pointer which is rotatable to indicate the current speed limit.

Cuozzo argues that Aumayer, Evans, and Wendt do not disclose "continuously updat[ing] the delineation of which speed readings are in violation of the speed limit at a vehicle's present location," as required by claim 10. '074 patent col. 7 ll. 6–9. In particular, Cuozzo contends that Aumayer discloses updating speed limits associated with a region and not with a geographic position determined by the GPS locating device. The Board found that "it is indisputable that Aumayer displays the speed limit for the current location of a vehicle as determined by a GPS receiver, and not merely the speed limit for a certain class of road in a given region without any connection to the vehicle's current location." J.A. 34. The Board's finding is supported by substantial evidence.

Cuozzo also argues that there is no motivation to combine Aumayer, Evans, and Wendt because

Aumayer is an automatic device while Evans and Wendt are manual devices. However, "[a]pplying modern electronics to older mechanical devices has been commonplace in recent years." *Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1161 (Fed. Cir. 2007). It would have been obvious to combine Aumayer, Evans, and Wendt to arrive at the analog embodiment. Cuozzo does not contend that any secondary considerations argue against a finding of obviousness.

Claim 10 would have been obvious over Aumayer, Evans, and Wendt because it encompasses the analog embodiment of the invention discussed in the specification. We need not address whether claim 10 is also obvious over Tegethoff, Awada, Evans, and Wendt, as the Board also concluded.

D

Finally, we consider whether the Board properly denied Cuozzo's motion for leave to amend, finding that Cuozzo's substitute claims would enlarge the scope of the patent. Cuozzo moved to substitute claim 10 with the following substitute claim 21:

> A speed limit indicator comprising:
> a global positioning system receiver determining a vehicle's present location, a vehicle's present speed and a speed limit at the vehicle's present location;
> a display controller connected to said global positioning system receiver, wherein said display controller adjusts a colored display in response to signals indicative of the speed limit at the vehicle's present location from said global positioning system receiver to continuously update the delineation of

which speed readings determined by the global positioning system receiver are in violation of the speed limit at the vehicle's present location; and

a speedometer integrally attached to said colored display,

wherein the speedometer comprises a liquid crystal display, and

wherein the colored display is the liquid crystal display.

J.A. 357–58.

The statute and PTO regulation bar amendments which would broaden the scope of the claims. 35 U.S.C. § 316(d)(3); 37 C.F.R. § 42.221(a)(2)(ii). In the past, we have construed this requirement in the context of reissues and reexaminations. In both contexts, we have applied the test that a claim "is broader in scope than the original claims if it contains within its scope any conceivable apparatus or process which would not have infringed the original patent." *Tillotson, Ltd. v. Walbro Corp.*, 831 F.2d 1033, 1037 n.2 (Fed. Cir. 1987) (in the reissue context); see *In re Freeman*, 30 F.3d 1459, 1464 (Fed. Cir. 1994) (quoting *Tillotson*, 831 F.2d at 1037 n.2) (in the reexamination context). The same test applies in the context of IPRs. Therefore, we inquire whether Cuozzo's proposed substitute claims would encompass any apparatus or process that would not have been covered by the original claims.[10] The Board held that claim 21

[10] Cuozzo argues that its substitute claim is narrowing because it is limited to the single-LCD embodiment and no longer would encompass the mechanical embodiment. This argument misstates the test for broadening. "[A] claim is broadened if it is broader in any respect than the original claim, even though it may be narrowed in other respects." *In re Rogoff*, 46 C.C.P.A. 733, 261 F.2d 601, 603

was broadening because it would encompass a single-LCD embodiment wherein both the speedometer and the colored display are LCDs, which was not within the original claims. Cuozzo argues that the proposed claims were not broadening and instead copied limitations from two dependent claims in the patent.

Based on the proper construction of the phrase "integrally attached," we agree with the PTO that Cuozzo's proposed amendment is broadening. Cuozzo itself argues that the motion to amend was denied solely because of the PTO's interpretation of "integrally attached," and argues only that a remand is necessary if we were to reverse the Board's claim construction (which we have not done). Cuozzo admits that the Board's construction of "integrally attached" "excludes the single LCD embodiment of the invention in which the speedometer includes an LCD that is the colored display." Appellant Br. 33. Proposed claim 21 recites "a speedometer integrally attached to said colored display, wherein the speedometer comprises a liquid crystal display, and wherein the colored display is *the* liquid crystal display." J.A. 358 (emphasis added). The word "the," emphasized in the quoted language above, requires a single-LCD embodiment that includes both the speedometer and the colored display in one LCD. Because proposed claim 21 would encompass an embodiment not encompassed by claim 10, it is broadening, and the motion to amend was properly denied.

AFFIRMED

(1958); *see also Senju Pharm. Co., Ltd. v. Apotex Inc.*, 746 F.3d 1344, 1352 (Fed. Cir. 2014).

NEWMAN, *Circuit Judge*, dissenting.

I respectfully dissent, for several of the panel majority's rulings are contrary to the legislative purpose of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (effective September 16, 2012).

The America Invents Act established a new Inter Partes Review system for the purpose of "providing quick and cost effective alternatives to litigation." H.R. Rep. No. 112-98, pt. 1, at 48 (2011), 2011 U.S.C.C.A.N. 67, 78. This purpose was achieved by providing a new adjudicatory proceeding in the administrative agency, the Patent and Trademark Office in the Department of Commerce, whereby a newly formed Patent Trial and Appeal Board (PTAB) serves as a surrogate for district court litigation of patent validity. The goal is improved service to technology-based innovation, and thus to the nation. The panel majority thwarts the statutory plan in several ways.

First, the panel majority holds that the PTAB, in conducting its adversarial proceedings, need not and should not apply the same legal and evidentiary standards as would apply in the district court. Instead, the panel majority authorizes and requires treating the claims of an issued patent in the same way as pending claims in the patent application stage, where claims are subject to the "broadest reasonable interpretation" examination protocol. The panel majority thus precludes achieving review of patent validity in Inter Partes Review comparable to that of the district courts, where validity is determined based on the correct claim construction, not an artificially "broadest" construction.

This court has approved the use of "broadest reasonable interpretation" as an expedient in examination and reexamination, but our approval was based on the unfettered opportunity to amend in those proceedings. That opportunity is not present in Inter Partes Review; amendment of claims requires permission, and since the inception of Inter Partes Review, motions to amend have been granted in only two cases, although many have been requested.[1]

The purpose of Inter Partes Review is to "convert" inter partes reexamination "from an examinational proceeding to an adjudicative proceeding." H.R. Rep. No. 112-98, pt. 1, at 46. *See also* 157 Cong. Rec. S1111 (Mar. 2, 2011) (statement of Sen. Leahy) (the purpose is to "decrease[] the likelihood of expensive litigation because it creates a less costly, in-house administrative alternative to review patent validity claims"). By refusing to apply to Inter Partes Review the procedural and substantive law of the district courts, the panel majority defeats the legislative purpose, for the PTO tribunal cannot serve as a surrogate for district court litigation if the PTAB does not apply the same law to the same evidence.

Second, and as a further departure from the legislative plan, the panel majority holds that the "final and nonappealable" statutory provision relating to

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[1] *See* Andrew Williams, *PTAB Update – The Board Grants Its Second Motion to Amend (At Least in Part)*, PATENT DOCS (Jan. 8, 2015), http://www.patentdocs.org/2015/01/ptab-update-the-board-grants-its-second-motion-to-amend-at-least-in-part.html; *see also* Jennifer E. Hoekel, *PTAB Grants First Opposed Motion to Amend Claims – Patent Trial and Appeal Board*, THE NATIONAL LAW REVIEW (Jan. 14, 2015), http://www.natlawreview.com/article/ptab-grants-first-opposed-motion-to-amend-claims-patent-trial-and-appeal-board.

whether to institute Inter Partes Review means that "§ 314(d) must be read to bar review of all institution decisions, even after the Board issues a final decision." Maj. op. at 1289. Does this mean that such decisions can never be judicially reviewed, even if contrary to law, even if material to the final appealed judgment? This ruling appears to impede full judicial review of the PTAB's final decision, further negating the purpose of the America Invents Act to achieve correct adjudication of patent validity through Inter Partes Review in the administrative agency.

Several other aspects of the America Invents Act are incorrectly or confusingly treated. For example, as Cuozzo points out, here the PTAB decision relies on arguments and evidence that had not been raised in the petition to institute, although the statute requires that all arguments and evidence must be presented in the petition. The panel majority holds that "[t]he fact that the petition was defective is irrelevant because a proper petition could have been drafted." Maj. op. at 1290. Such broad and conflicting departure from the statutory provisions cannot have been intended.

Inter Partes Review is intended as a far-reaching and powerful surrogate for district court validity determinations. The plan is that an adversarial proceeding in the PTO will resolve most issues of patent validity, without the disruption and expense and delay of district court litigation. I write in dissent because the court today moves Inter Partes Review in directions contrary to the language and intent of the America Invents Act, thereby impeding its purpose to serve as a surrogate for district court litigation.

I

Inter Partes Review as surrogate for district court litigation

The goal of Inter Partes Review is to rehabilitate the innovation incentive, by reinforcing valid patents and eliminating invalid patents through an expeditious and cost-effective alternative to litigation, on whose results the innovation community can rely. To this end, the new Inter Partes Review proceedings provide for discovery, expert testimony, depositions, subpoenas, briefs, and oral argument by adversaries. *See Abbott Labs. v. Cordis Corp.*, 710 F.3d 1318, 1326 (Fed. Cir. 2013) (the America Invents Act created an adversarial proceeding as in the district courts, where all appropriate evidence can be adduced).

Inter Partes Review is limited to patent validity, for validity is a central issue in patent litigation, and often is dispositive of the entire litigation. To serve as a reliable substitute for district court validity determination, the legislation was designed to achieve the same correct decision as would be obtained in a district court on the same evidence and the same law. However, this court holds that PTAB adjudication need not conform to the law and consider the same evidence as in the courts. Instead, the panel majority authorizes the PTAB to employ the expedients and shortcuts that were developed for the give-and-take of examination and reexamination, instead of determining validity as a matter of fact and law, as required in the courts.

Although the PTAB is authorized to apply trial and evidentiary procedures, my colleagues hold that the PTAB need not apply the same rules of law and evi-

dence as in the district courts. It is critical to the success of Inter Partes Review that it serve its purpose as a district court surrogate, yet it is not disputed that the "broadest reasonable interpretation" of claims and technology can differ from the ultimately correct decision on the standards of *Phillips v. AWH Corp.*, 45 F.3d 1303 (Fed. Cir. 2005) (en banc). This built-in discrepancy defeats the legislative purpose of substituting administrative adjudication for district court adjudication, for a PTAB decision based on this artificial "broadest" standard cannot substitute for litigation directed to the correct result.

A

My colleagues argue that Inter Partes Review is simply a reexamination of the patent, and thus should be conducted on the same broadest reasonable interpretation as for reexamination. This argument is negated by the heavy legislative emphasis on differences from reexamination as achieved by these new procedures.

The House Report states that the America Invents Act "converts" Inter Partes Reexamination "from an examinational proceeding to an adjudicative proceeding." H.R. Rep. No. 112-98, pt. 1, at 46 (2011), 2011 U.S.C.C.A.N. 67, 77; *see also id.* at 75 (describing post-grant review and Inter Partes Review as "adjudicative systems"). The Report further explains:

> Unlike reexamination proceedings, which provide only a limited basis on which to consider whether a patent should have issued, the post-grant review proceeding permits a challenge on any ground related to invalidity under section 282. The intent of the post-grant review process is to

> enable early challenges to patents . The Committee believes that this new, early-stage process for challenging patent validity will make the patent system more efficient and improve the quality of patents and the patent system.

Id. at 46. It is undisputed that Congress intended that Inter Partes Review would differ from examination or reexamination, and that these new proceedings would be adjudicative, like the validity proceedings in the district courts. In the PTAB's words, "[a]n inter partes review is neither a patent examination nor a patent reexamination," but is "a trial, adjudicatory in nature [which] constitutes litigation." *Google Inc. v. Jongerius Panoramic Techs., LLC*, IPR2013-00191, Paper No. 50, at 4 (PTAB Feb. 13, 2014).

To implement the intent of the America Invents Act, the administrative judges of the PTAB must apply the same procedural and substantive law as the district courts. By adopting the examination protocol of broadest reasonable interpretation, the PTO and the panel majority negate the legislative purpose, for the PTAB tribunals cannot serve as a surrogate for district court litigation if the PTAB does not apply the same law to the same evidence. Instead, Inter Partes Review will merely become another mechanism for delay, harassment, and expenditure, despite the Congressional warning:

> While this amendment is intended to remove current disincentives to current administrative processes, the changes made by it are not to be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent. Doing so would frustrate the purpose of the sec-

> tion as providing quick and cost effective alternatives to litigation.

H.R. Rep. No. 112-98, pt. 1, at 48 (2011), 2011 U.S.C.C.A.N. 67, 78.

The broadest reasonable interpretation standard is not a rule of law, but a pragmatic protocol applied in patentability examination and reexamination. *See In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984) (giving claims their broadest reasonable interpretation "serves the public interest by reducing the possibility that claims, finally allowed, will be given broader scope than is justified"); *see also, e.g., In re Hyatt*, 211 F.3d 1367, 1372 (Fed. Cir. 2000); *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989). The broadest reasonable interpretation is an examination expedient, not a canon of construction. It serves not to state the correct meaning of the claim, but to provide a framework for clarification and amendment.

Contrary to the panel majority's theory, the differences between reexamination and the new post-grant proceedings are very relevant to Inter Partes Review. The standard for adjudication of validity is set forth in *Phillips v. AWH Corp.*, where claims are given their correct construction as understood by a person of ordinary skill in the field of the invention. Adoption of a broadest interpretation renders the PTAB rulings legally unreliable, leaving the parties to district court proceedings, whatever the decision of the PTAB. That was not the legislative plan.

B

The panel majority holds that it is irrelevant that the America Invents Act does not mention a "broadest

reasonable interpretation" standard, stating that endorsement of this approach is "implicit" in the legislative silence. Maj. op. at 1281. To the contrary, the language of the America Invents Act demonstrates that Congress did not intend that the PTAB tribunals would construe claims differently from the district courts.

While the reexamination, interference, and reissue statutes and regulations refer to the "patentability" of a claim, 35 U.S.C. §§ 305; 135; 37 C.F.R. § 1.97, the term "validity" is used throughout the Inter Partes Review statute. 35 U.S.C. § 316. The distinction is carefully made in the statute, for "validity" is the province of adjudication, while "patentability" applies to examination. *See In re Donaldson Co., Inc.*, 16 F.3d 1189, 1193 (Fed. Cir. 1994) (referring to "a patentability determination in the PTO or a validity or infringement determination in a court"). This distinction is significant.

The America Invents Act refers to the "proper meaning of a patent claim," *see* 35 U.S.C. § 301(d) (referring to "the proper meaning of a patent claim in a proceeding that is ordered or instituted pursuant to section 304, 314, or 324"). The "proper meaning of a patent claim" is the correct meaning. Correctness is the province of the courts, and correctness is the purpose of Inter Partes Review.

C

The panel majority further argues that the Federal Circuit has "approved" the "broadest reasonable interpretation" standard in "a variety of [PTO] proceedings." Maj. op. at 1279–80. Indeed we have, explaining in *In re Yamamoto* that the expedient of broad

interpretation during examination and reexamination is based on the ready ability to amend claims, the *Yamamoto* court stressing this difference from judicial proceedings:

> An applicant's ability to amend his claims to avoid cited prior art distinguishes proceedings before the PTO from proceedings in federal district courts on issued patents. When an application is pending in the PTO, the applicant has the ability to correct errors in claim language and adjust the scope of claim protection as needed. This opportunity is not available in an infringement action in district court.

740 F.2d at 1572.

In routine examination and reexamination, the amendment of a claim is a fluid, back-and-forth process between an examiner and the applicant, who may present proposed amendments and new claims. Reexamination is "conducted according to the procedures established for initial examination under the provisions of Sections 132 and 133." 35 U.S.C. § 305. The focus of reexamination proceedings "returns essentially to that present in an initial examination." *In re Etter*, 756 F.2d 852, 857 (Fed. Cir. 1985). It is significant that when claims in reexamination are not eligible for amendment, as when a patent has expired, the PTO instructs examiners not to use the broadest reasonable interpretation. MPEP § 2258 G states:

> In a reexamination proceeding involving claims of an expired patent, claim construction pursuant to the principle set forth by the court in *Phillips v. AWH Corp.*, 415 F.3d 1303, 1316 (Fed. Cir. 2005) (words of a claim "are generally given their ordi-

> nary and customary meaning" as understood by a person of ordinary skill in the art in question at the time of the invention) should be applied since the expired claims are not subject to amendment.

The panel majority is incorrect in stating that Inter Partes Review proceedings are "not materially different" from pre-AIA proceedings with respect to the opportunity to amend. Maj. op. at 1280.

It is reported that the ability to amend claims in Inter Partes Review proceedings, as administered by the PTO, is almost entirely illusory. Amendment requires permission, 37 C.F.R. § 42.20(b), and to date motions to amend have been granted in only two cases, *see supra* note 1. Patent owners are limited to "one motion to amend," and are presumptively limited to substituting one issued claim for one amended claim. 37 C.F.R. § 42.221(a)(3). Additional motions to amend are allowed only "to materially advance the settlement of a proceeding" or "as permitted by regulations prescribed by the Director." 35 U.S.C. § 316(d)(2).

It is beyond debate that Inter Partes Review does not allow the kind of iterative amendment process that initially justified adoption of a "broadest reasonable interpretation" protocol in examination and reexamination.

D

The panel majority states that the PTO is acting within its rulemaking authority. The Supreme Court has stated that "although an agency's interpretation of the statute under which it operates is entitled to some deference, 'this deference is constrained by our

obligation to honor the clear meaning of a statute, as revealed by its language, purpose, and history.'" *Se. Cmty. Coll. v. Davis*, 442 U.S. 397, 99 S.Ct. 2361, 60 L.Ed.2d 980, (1979) (quoting *Teamsters v. Daniel*, 439 U.S. 551, 566 n.20, 99 S.Ct. 790, 58 L.Ed.2d 808 (1979)); *see also Muwwakkil v. Office of Pers. Mgmt.*, 18 F.3d 921, 925 (Fed. Cir. 1994) ("When an agency's interpretation of a statute it is entrusted to administer is contrary to the intent of Congress, as divined from the statute and its legislative history, we owe it no deference.").

In promulgating 37 C.F.R. § 42.300(b), the PTO departed from the purpose of the America Invents Act to create a reliable substitute for district court litigation. The invocation of the "broadest" construction rather than the correct construction is inconsistent with the language, purpose and history of the America Invents Act. Regulations must implement the statute they seek to serve, not defeat it. *See Ernst & Ernst v. Hochfelder*, 425 U.S. 185, 213–14, 96 S.Ct. 1375, 47 L.Ed.2d 668 (1976) ("The rulemaking power granted to an administrative agency charged with the administration of a federal statute is not the power to make law. Rather, it is the power to adopt regulations to carry into effect the will of Congress as expressed by the statute."). Pending potential legislative action, it is our obligation to interpret the statute in accordance with its legislative purpose.[2]

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[2] On December 5, 2013, the House passed H.R. 3309, amending section 316(a) to state that in Inter Partes Review "each claim of a patent shall be construed as such claim would be in a civil action to invalidate a patent under section 282(b), including constructing each claim of the patent in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent . " H.R.

In sum, the procedure whereby claims are given their broadest reasonable interpretation instead of their correct construction defeats the purpose of Inter Partes Review as a surrogate for district court litigation.

II

The nonappealable decision to institute Inter Partes Review

The America Invents Act states that the PTO's decision whether to institute Inter Partes Review is "final and nonappealable." 35 U.S.C. § 314(d). The panel majority holds that this means that rulings in connection with the institution of Inter Partes Review, whether review is granted or denied, cannot be appealed to any court, either by interlocutory appeal or on appeal of final judgment. That is not what the statute states, or requires.

The panel majority "conclude[s] that § 314(d) prohibits review of the decision to institute IPR even after a final decision. On its face, the provision is not directed to precluding review only before a final decision. It is written to exclude all review of the decision whether to institute review." Maj. op. at 1276. On this conclusion, the panel majority holds that we are barred by § 314(d) from reviewing compliance with the statutory limits of Inter Partes Review.

The majority acknowledges that situations may arise "where the PTO has clearly and indisputably ex-

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Rep. No. 113-279, at 13–14 (2013). The corresponding Senate bill was reported to have stalled for reasons unrelated to this section. This proposed clarification is further evidence of legislative intent.

ceeded its authority," and suggests that possibly "mandamus may be available to challenge the PTO's decision to grant a petition to institute IPR after the Board's final decision." Maj. op. at 1290. This hint is disputed by the PTO, pointing to the Federal Circuit's strict requirements for mandamus.

The ultimate authority regarding what a statute says and how it applies is the judiciary. The purpose of the "nonappealable" provision apparently is to bar interlocutory proceedings and harassing filings by those seeking to immobilize the patent or exhaust the patentee. The bar of interlocutory appeals is routine. However, sensitive scrutiny is required, not blanket enlargement for all circumstances. In *Bowen v. Michigan Academy of Family Physicians*, 476 U.S. 667, 106 S.Ct. 2133, 90 L.Ed.2d 623 (1986) the Court explained that "[f]rom the beginning 'our cases [have established] that judicial review of a final agency action by an aggrieved person will not be cut off unless there is persuasive reason to believe that such was the purpose of Congress' " *Id.* at 670, 166 S.Ct. 2133 (alteration in original) (quoting *Abbott Labs. v. Gardner*, 387 U.S. 136, 140, 87 S.Ct. 1507, 18 L.Ed.2d 681 (1967)).

Cuozzo points out that here the PTAB decision relies on arguments that had not been raised in the petition for review, contrary to the requirements of the statute. 35 U.S.C. § 312(a)(3) (the petition must identify the grounds and evidence as to each challenged claim). The panel majority holds that "[t]he fact that the petition was defective is irrelevant because a proper petition could have been drafted." Maj. op. at 1290. Is this prohibited appellate review of the nonappealable petition? Or simply a curious departure from the fundamental rule of administrative action,

that agency decisions must be reviewable on appeal? *In Block v. Community Nutrition Institute*, 467 U.S. 340 (1984), the Court elaborated on the principle of judicial review of agency determinations. The Court summarized:

> Whether and to what extent a particular statute precludes judicial review is determined not only from its express language, but also from the structure of the statutory scheme, its objectives, its legislative history, and the nature of the administrative action involved.

Id. at 345, 104 S.Ct. 2450.

The statute requires thoughtful adjustment to the legislative purpose, not heavy-handed foreclosure of all review of anything related to the petition.

Conclusion

The America Invents Act has the purpose of "providing quick and cost effective alternatives to litigation." H.R. Rep. No. 112-98, pt. 1, at 48 (2011), 2011 U.S.C.C.A.N. 67, 78. The PTO is authorized to review the validity of issued patents in accordance with new procedures, to reach the correct decision, but faster, cheaper, and sooner than in the district court. The panel majority fails to implement the statutory purpose.

APPENDIX E

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GARMIN INTERNATIONAL, INC. and GARMIN USA, INC.
Petitioner

v.

CUOZZO SPEED TECHNOLOGIES LLC
Patent Owner

Case IPR2012-00001
Patent 6,778,074

Date: November 13, 2013

Before JAMESON LEE, MICHAEL P TIERNEY, and JOSIAH C. COCKS, *Administrative Patent Judges.*

LEE, *Administrative Patent Judge.*

FINAL WRITTEN DECISION

35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

BACKGROUND

A. Introduction

Petitioner, Garmin International Inc. and Garmin USA, Inc. ("Garmin"), filed a petition on September 16, 2012, for *inter partes* review of claims 1-20 of Patent 6,778,074 ("the '074 Patent") pursuant to 35 U.S.C. §§ 311 et seq. On January 9, 2013, the Board denied the petition as to claims 1-9, 11-13, 15, 16, and 18-20, and instituted trial for claims 10, 14, and 17, on two grounds of unpatentability. Paper 15.

After institution of trial, Cuozzo Speed Technologies LLC, ("Cuozzo") filed a Patent Owner Response ("PO Resp."). Paper 31. Cuozzo also filed a Motion to Amend Claims by substituting proposed new claims 21-23 for claims 10, 14, and 17. Paper 32. Garmin filed a Reply (Paper 40) to the Patent Owner Response, and also its Opposition (Paper 39) to Cuozzo's Motion to Amend Claims. Cuozzo then filed a Reply (Paper 44) to Garmin's Opposition to Cuozzo's Motion to Amend Claims.

Oral hearing was held on August 16, 2013.[1]

The Board has jurisdiction under 35 U.S.C. § 6(c). This final written decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73.

Garmin has shown that claims 10, 14, and 17 are unpatentable.

Cuozzo's Motion to Amend Claims is *denied*.

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[1] A transcript of the oral hearing is included in the record as Exhibit 3005.

B. The Invention of the '074 Patent[2]

The disclosed invention of the '074 Patent relates to a speed limit indicator and method for displaying speed and the relevant speed limit for use in connection with vehicles. Ex. 3006, 1:9-11. Specifically, the speed limit indicator and the method for displaying speed and the relevant speed limit have particular utility in connection with displaying the current speed of a vehicle and how it relates to the legal speed limit at the current location of a vehicle. Ex. 3006, 1:11-16. The invention eliminates the need for the driver to take his or her eyes off the road to look for speed limit signs, and resolves any confusion that might exist as to what is the current legal speed limit. Ex. 3006, 1:22-25. The specification states that by allowing the driver to keep his or her eyes on the road more, the speed limit indicator reduces the chance of an accident. Ex. 3006, 1:27-29.

Only one embodiment is described in the specification of the '074 Patent with a meaningful degree of specificity. It is a mechanical embodiment that does not make use of a liquid crystal display for displaying speed or how the current speed relates to the speed limit for the current location of the vehicle.

Figure 1 is reproduced below:

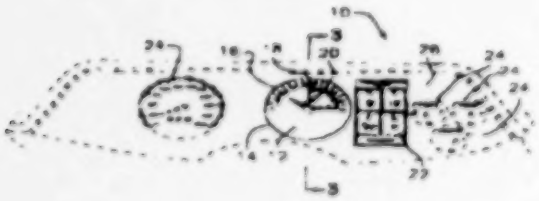


FIG. 1

[2] The Board has added a copy of the '074 patent as Exhibit 3006.

Figure 1 illustrates a specifically disclosed embodiment. In that embodiment, speedometer 12 is mounted on dashboard 26. Ex. 3006, 5:8-9. It has a backplate 14 made of plastic, speed denoting markings 16 painted on backplate 14, a colored display 18 made of a red plastic filter, and a plastic needle 20 rotatably mounted in the center of backplate 14. Ex. 3006, 5:8-11. A global positioning system receiver 22 is positioned adjacent to speedometer 12, and other gauges typically present on a vehicle dashboard 26 are also provided. Ex. 3006, 5:13-15.

Figure 2 is reproduced below

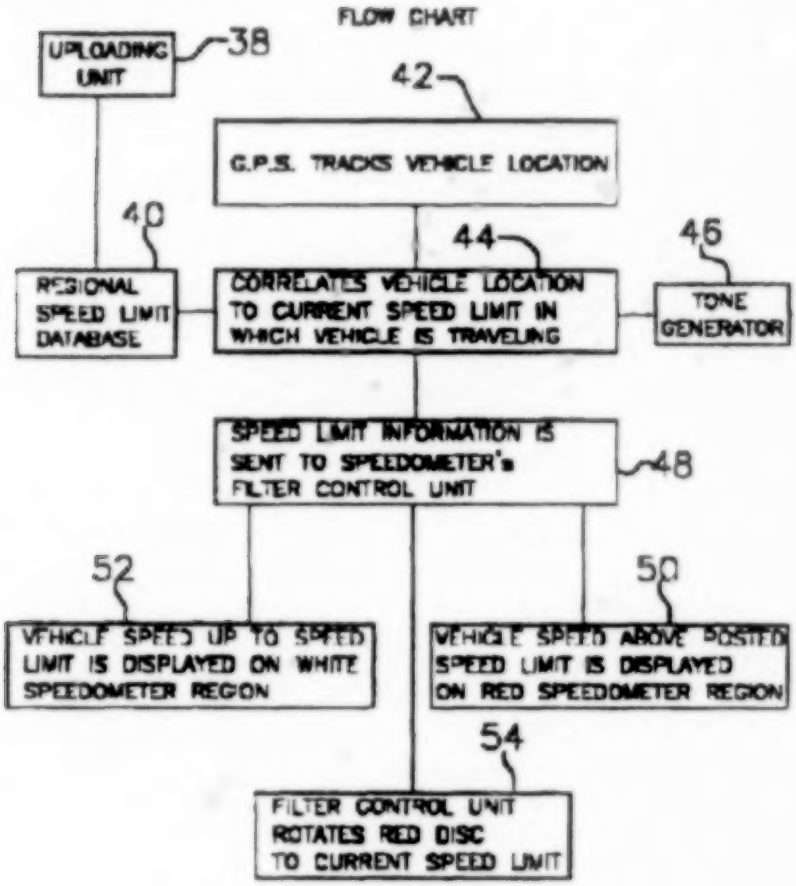


FIG. 2

Figure 2 illustrates in block diagram form the steps carried out by a speed limit indicator shown in Figure 1. Referring to the flowchart of Figure 2, the specification of the '074 Patent describes operation of the speed limit indicator as follows (Ex. 3006, 5:25-39, emphasis added):

> Uploading unit 38 uploads current data to a regional speed limit database 40. The global positioning system receiver 42 tracks the vehicle's location and speed, and identifies the relevant speed limit from the database for that location. The global positioning system receiver compares the vehicle's speed and the relevant speed limit 44, and uses a tone generator 46 to generate a tone in the event that the vehicle's speed exceeds the relevant speed limit. The speed limit information is sent from the global positioning system receiver to a filter control unit 48. **The control unit adjusts the colored filter so that the speeds above the legal speed limit are displayed in red 50 while the legal speeds are displayed in white 52. This is accomplished by the control unit rotating the red filter disc 54 to the appropriate degree.**

Thus, in the step shown in block 54, a filter control unit rotates a red filter disc, which is element 18 in Figure 1, to cover portions of the speed display on speedometer 12, such that readings covered or overlapped by the red filter disc reflect speeds above the speed limit for the current location of the vehicle.

In column 6 of the '074 Patent, lines 31-34, there is brief mention of a different embodiment. It also is stated generally (Ex. 3006, 6:11-14):

> And although a red filter disc has been described, it should be appreciated that the colored display herein described could also take the form of a liquid crystal display.

In that regard, claim 12, which depends on claim 10, also recites that "said colored display is a liquid crystal display." Ex. 3006, 7:15-16. The above-quoted text does not describe any specific implementation and indicates only generally that a liquid crystal display may be used in place of the red filter disc. That does not describe an embodiment in which the speed readings themselves "and" the delineation of which speeds are above the speed limit at the current location are both shown on the same liquid crystal display. As is noted by Garmin (Reply at 3, n.1), the liquid crystal display simply may provide colored lighting to a conventional mechanical speedometer needle and backplate.

Similarly, claim 18, which depends on claim 10, recites "wherein said speedometer comprises a liquid crystal display," but does not provide any manner of specific implementation. It only indicates, generally, that the speedometer may include a liquid crystal display. That does not describe an embodiment in which the speed readings themselves "and" the delineation of which readings are above the speed limit are both shown on the same liquid crystal display.

During oral argument, counsel for Cuozzo acknowledged that even if the features added by dependent claims 12 and 18 are considered together, the

combination does not require use of one liquid crystal display to show both speed readings themselves and a delineation of whether the current speed exceeds an applicable speed limit for the current location of the vehicle. Ex. 3005, 78:6-9.

C. The Alleged Grounds of Unpatentability

The prior art references as applied to claims 10, 14, and 17 are:

Aumayer	U.S. 6,633,811	Oct. 14, 2003; filed Oct. 19, 2000	Ex. 1001
Awada	U.S. 6,515,596	Feb. 4, 2003; filed Mar. 8, 2001	Ex. 1010
Tegethoff	German DE 19755470 A1 English Translation	Sept. 24, 1998	Ex. 1002 Ex. 1003
Evans	U.S. 3,980,041	Sept. 14, 1976	Ex. 1009
Wendt	U.S. 2,711,153	June 21, 1955	Ex. 1011

Citations to Tegethoff refer to its English translation, Ex. 1003.

The Board instituted trial on the following grounds of unpatentability:

Reference(s)	Basis	Claims Challenged
Aumayer, Evans, and Wendt	§ 103	10, 14, 17
Tegethoff, Awada, Evans, and Wendt	§ 103	10, 14, 17

DISCUSSION

An appropriate construction of the term "integrally attached" in independent claim 10 is central to the patentability analysis of claims 10, 14, and 17.

Claim 10 is reproduced below (emphasis added):

10. A speed limit indicator comprising:

a global positioning system receiver;

a display controller connected to said global positioning system receiver, wherein said display controller adjusts a colored display in response to signals from said global positioning system receiver to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location; and

a speedometer integrally attached to said colored display.

Claim 10 requires that a speedometer be "integrally attached" to a colored display, which is adjustable to update continuously the delineation of which speeds are in violation of the speed limit at the vehicle's present location. Claim 14 depends on claim 10, and claim 17 depends on claim 14.

A. Claim Construction

Principles of Law

In an *inter partes* review, claim terms in an unexpired patent are interpreted according to their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48756, 48766 (Aug. 14, 2012). Claim terms are also given their ordinary and customary meaning as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007).

If an inventor acts as his or her own lexicographer, the definition must be set forth in the specification with reasonable clarity, deliberateness, and precision. *Renishaw PLC v. Marposs Societa' per Azioni*, 158 F.3d 1243, 1249 (Fed. Cir. 1998). Neither Petitioner nor Patent Owner contends that the specification of the '074 Patent, as filed, coined a new meaning for any term.

If a feature is not necessary to give meaning to what the inventor means by a claim term, it would be "extraneous" and should not be read into the claim. *Renishaw PLC*, 158 F.3d at 1249; *E.I. du Pont de Nemours & Co. v. Phillips Petroleum Co.*, 849 F.2d 1430, 1433 (Fed. Cir. 1988). The construction that stays true to the claim language and most naturally aligns with the inventor's description is likely the correct interpretation. *See Renishaw PLC*, 158 F.3d at 1250.

Board's Construction of "integrally attached"

According to plain and common usage, the central characteristic of "integrally attached" stems from the word "attached." That is because the term "integrally" modifies "attached" by specifying a form of attachment. The general characteristic of two components being "attached" to each other cannot be eliminated whatever is the effect of adding "integrally" to modify "attached."

For a speedometer to be "integrally attached" to a colored display, there must be a speedometer and a colored display that are separately identifiable from each other, or else "attached" effectively would be read out of the claim. Adding the modifier "integrally" does not negate or nullify "attached." That does not mean the speedometer and the colored display may not share any part. But it does mean that the sharing may not be so substantial, e.g., the entirety of the colored display is subsumed within the speedometer, that the speedometer and the colored display lose their separate identities. It would be illogical to regard one unit as being "attached" to itself.

The Board construes "integrally attached" as applied to the colored display and the speedometer in the context of the disclosure of the '074 Patent as meaning:

> discrete parts physically joined together as a unit without each part losing its own separate identity.

In the joined unit, the colored display is still the colored display and the speedometer is still the speedometer; each retains its own separate identity. That is consistent with the specification. With reference to

Figure 1, the specification of the '074 Patent discloses that colored display 18 in the form of a red plastic filter is a separate item from backplate 14, speed denoting marking 16 on backplate 14, and needle 20. Ex. 3006, 5:9-12. All of those other components, exclusive of the red plastic filter, form the speedometer, which is separate from the colored display.

Cuozzo's Construction of "integrally attached"

Cuozzo disagrees with the Board's construction, and argues that "integrally attached" should be construed to mean: joined or combined to work as a complete unit. PO Resp. 3. On the surface, it would appear that the difference between the Board's construction and Cuozzo's construction is that Cuozzo's construction is broader and encompasses the Board's construction, because Cuozzo's construction does not require two separate parts to retain their separate identities. In actuality, however, Cuozzo's construction is not broader.

If Cuozzo's construction is broader and encompasses the Board's construction, then whatever prior art that applies under the Board's construction still applies under Cuozzo's construction and claims 10, 14, and 17 would be equally unpatentable. Responding to the Board's inquiry at oral argument, counsel for Cuozzo acknowledged that Cuozzo's construction is "not" just broader than the Board's construction. Ex. 3005, 62:6-22.

Cuozzo's construction is diametrically different from the Board's construction, because Cuozzo reads its construction as requiring an "integral display" in the sense that there are no longer separate identities between the speedometer and the colored display.

Cuozzo's arguments are directed to an "integral display" rather than a speedometer that is "integrally attached" to a colored display as actually is recited in claim 10.

Cuozzo's construction reads out the "attached" portion of the "integrally attached" recitation in the claim. Cuozzo effectively converts the claim feature actually claimed to an "integral display" that shows both current speed readings and the delineation of which speed readings are in violation of the speed limit. During oral argument, counsel for Cuozzo indicated that under Cuozzo's construction, there has to be a display that both functionally and structurally integrates the speedometer and the colored display, such that there only is a single display. Ex. 3005, 36:3-37:18.

The Specification and Prosecution History

The term "integrally attached" does not appear in the specification and original claims of the application, which was filed on March 18, 2002, and later issued as the '074 Patent. The term was proposed during examination by amendment to application claims 1 and 11 to distinguish over Awada.[3] Ex. 1013, 1-3. In the remarks submitted with that amendment, support for the feature that the speedometer is "integrally attached" to the colored display is said to exist in parts of the specification that are now column 5, lines 9-12, column 5, lines 45-49, and Figures 1, 3, and 4 of the '074 Patent. Ex. 1013, 7:23-25.

The above-quoted portions of the specification describe speedometer backplate 14, speed denoting

[3] Application claim 11 issued as patent claim 10.

markings 16 painted on backplate 14, and plastic needle 20, as separate and discrete elements from the colored display 18, which is a rotatable red plastic filter. The specification of the '074 Patent discloses that colored display 18, in the form of a red plastic filter, is a separate item from backplate 14, speed denoting marking 16 on backplate 14, and needle 20, which form a speedometer separate from the red plastic filter. Ex. 3006, 5:9-12.

Thus, Cuozzo relied on separate and discrete components, joined as one unit, as providing written description support for "integrally attached."

We are cognizant that the specification of the '074 Patent states: "Speedometer 12 has a backplate 14 made of plastic, speed denoting markings 16 painted on backplate 14, a colored display 18 made of a red plastic filter, and a plastic needle 20 rotatably mounted in the center of backplate 14." Ex. 3006, 5:9-12. That is an expression that speedometer 12 includes colored display 18, which appears to be contrary to the Board's construction of "integrally attached." But there is no such inconsistency, as is explained below.

With respect to the mechanical embodiment shown in Figure 1 and described in column 5, lines 9-12, and column 5, lines 45-49, even though there is language referring to speedometer 12 as including colored display 18, there is no language referring to speedometer 12 as being "integrally attached" to the colored display 18. Had there been such language, coexistent with language noting that the speedometer includes the colored display, we would accord it appropriate weight.

Speedometer 12 is a speedometer with or without red plastic filter 18. It is speedometer 12 without the red plastic filter 18 that is "integrally attached" to the colored display that is red plastic filter 18. Cuozzo does not contend, and reasonably cannot contend, that speedometer 12 is not a speedometer unless colored display 18 is a component of the speedometer. The construction that stays true to the claim language, e.g., "integrally attached," and most naturally aligns with the inventor's description is likely the correct interpretation. *See Renishaw PLC*, 158 F.3d at 1250. It is illogical to regard an apparatus as being attached to a component completely contained within itself.

When amending application claims to distinguish the claimed invention from Awada, the applicant stated, Ex. 1013, 7:25-8:2:

> The cited Awada (6,515,596) lacks a speedometer integrally attached to the speed limit display (column 2, lines 40-42 and Figs. 1 and 4-6). The vehicle's driver is forced to look in two separate locations and then mentally compare the speed limit with his vehicle's speed to determine how close he is to speeding if he is not already doing so sufficiently to activate the light and/or tone.

Figure 1 of Awada is reproduced below:

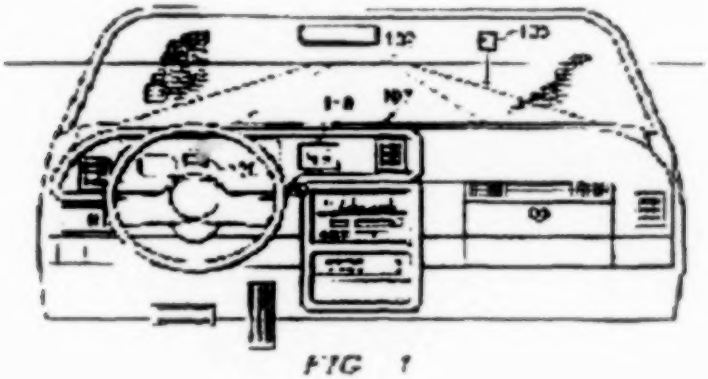


FIG 1

Figure 1 illustrates a display 110, separate and remote from the speedometer, which shows the speed limit. Display 110 showing the speed limit is located at a substantial distance from the speedometer, which is located at a conventional location within the dashboard of the vehicle. "Integrally attached" would require the speedometer and the display 110 to be combined physically as one unit, without each losing its own separate identity, thus providing a distinction from Awada's arrangement. It is not necessary to read into the claims an "integral display" to provide such a distinction, and converting "integrally attached" to "integral display" would read out of the claims the plain and ordinary meaning of "attached."

Expert testimony

We also have considered Cuozzo's argument that the disclosure in the '074 Patent as filed would teach one with ordinary skill in the art to combine the speedometer readout with speed limit information on the colored display, resulting in an electronic embodiment making use of a common LCD (liquid crystal display) shared by the speedometer and the colored display. Cuozzo states:

> Prof. Morris explained how these disclosures, in his opinion, would teach one of skill in the art "to combine the speedometer readout with the speed limit information on the LCD." Morris Decl., Exhibit 2002 to Paper 21, at ¶¶ 27-29. The resulting electronic embodiment would have a common LCD component shared by the speedometer and colored display.

PO Resp. 5:12-17.

Cuozzo's argument and the supporting testimony of Prof. Morris are unpersuasive.

Prof. Morris states: "It is my opinion that it would be natural for one skilled in the art at the time of the invention to combine the speedometer readout with the speed limit information on the LCD." Ex. 2002 ¶ 28. Prof. Morris further states: "It is my opinion that the mention of an LCD in confirmed claims 12 and 18 and col. 3, lines 4-6 and col. 6, lines 10-14 of the '074 [Patent] implies that there is an electronic embodiment to one skilled in the art at the time of the invention." Ex. 2002 ¶ 29.

The language of Prof. Morris's statements is vague. It is uncertain just how much is deemed to be described by the disclosure itself, and how much is filled-in or completed by one with ordinary skill in the art, who possesses ordinary creativity and is not an automaton. *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 421 (2007). What would have been obvious to one with ordinary skill in the art does not establish what actually is described in the specification. *Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 1572 (Fed. Cir. 1997). In any event, even assuming that such an embodiment is deemed to have been disclosed, the specification explains inadequately why such an embodiment would be covered by the claim language at issue, i.e., "integrally attached" as applied to the speedometer and a colored display.

Furthermore, it is undisputed that an electronic embodiment is disclosed in the specification, just not an electronic embodiment that makes use of the same liquid crystal display to show current speed readings of the speedometer and delineations of which speed readings are in violation of the speed limit at the pre-

sent location of the vehicle. Prof. Morris's testimony refers broadly to an electronic embodiment, not specifically to an electronic embodiment that makes use of a common liquid crystal display for showing speed readings and delineations of which speed readings are in violation of the speed limit.

Even assuming that an electronic embodiment of the right type is deemed to have been disclosed, it is explained inadequately why such an embodiment would be covered by the claim language at issue, i.e., "integrally attached" as applied to the speedometer and a colored display.

We find the following testimony of Prof. Morris, on cross-examination, meaningful and instructive (emphasis in original):

> **Q But the claims never specifically recite that the speedometer and the colored display are implemented on the same LCD; right?**
>
> MR. CONNOR: Objection to form.
>
> A I never saw that specific thing said, that they should be, said they should be integrated. The amendment said that they were integrally attached or the important feature was that they were integrated in the same place, but I never saw the specific words put all these on the same LCD display.

Ex. 1021, 11:41:2-12. Thus, even Cuozzo's own expert, Prof. Morris, recognizes a distinction between (1) a speedometer that is "integrally attached" to a colored display, and (2) an integrated or integral electronic

display using a single liquid crystal display. The former is what is claimed, not the latter.

Consistent with the Board's claim construction, Prof. Morris states that it would be "uncommon" to refer to two things displayed on a common display as attached. Ex. 1021, 18:69:2-6. Prof. Morris additionally states that he would not use the term "attached" to refer to the relationship between two items that are graphically displayed on the same display. Ex. 1021, 18:70:23-18:71:2.

Prof. Morris further states: "It is further my opinion that the Amendment [Ex. 1013 discussed previously] provides a reasonable basis for finding that the inventor added the term 'integrally' to claim 10 to limit the attachment to an integrated display that displays the speed and speed limit in the same location." Ex. 2002 ¶ 32. The language used by Prof. Morris actually comports more with the Board's construction of "integrally attached," not Cuozzo's construction. Prof. Morris refers to displaying speed and speed limit "in the same location," which is not the same as using the same liquid crystal display to show speed and speed limit. We decline to equate one to the other.

District Court Interpretations

Cuozzo argues that its construction of "integrally attached" is supported by a U.S. District Court's construction of "integrally connecting" in *Safety Rail Source, LLC v. Bilco Co.*, 656 F.Supp.2d 468 (D.N.J. 2009). PO Resp. 8:16-18. According to Cuozzo, the District Court concluded that "integrally connecting" requires the connected pieces be joined to make up a single complete piece or unit, such that the connection

becomes part of the single complete unit. PO Resp. 9:5-8.

Cuozzo also cites to *Sci. Specialties Inc. v. Thermo Fisher Sci. Inc.*, 684 F.Supp.2d 1187, 1191-1193 (N.D. Cal. 2010), for its determination that "integral and integrally must mean something more than contiguous." PO Resp. 9, n.3.

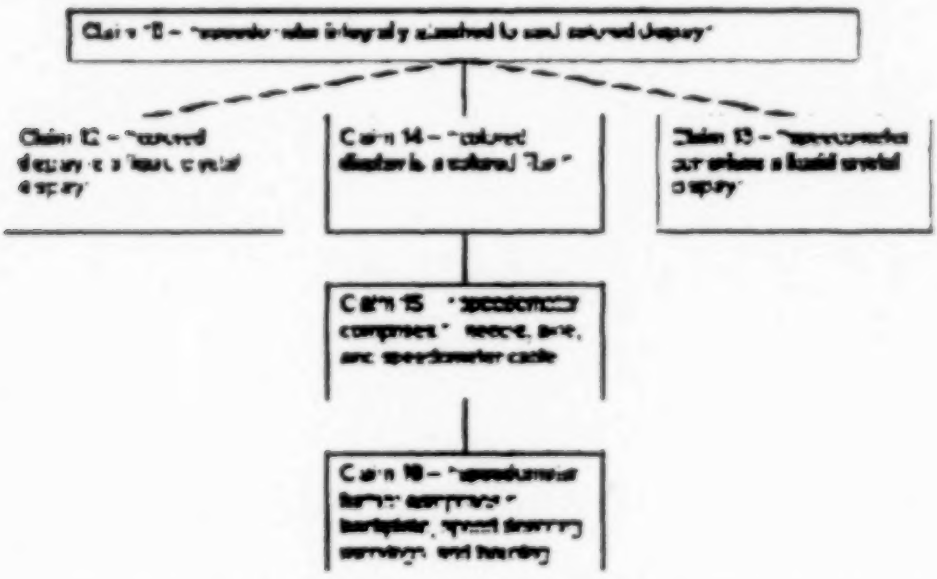
The Board's construction of "integrally attached" in this case is not at odds with the District Court's construction of "integrally connecting" in *Safety Rail Source, LLC.* According to Cuozzo, the District Court stated that weight must be given to "integrally." PO Resp. 8:18-20. The Board has given due weight to "integrally" as a modifier to "attached." The two parts must be physically joined together as one unit.

Cuozzo's arguments are unpersuasive. The terms at issue are different. "Attached" is not the same as "connecting." "Integrally attached" is not the same as "integrally connecting." The involved patents all have different disclosures. The field of invention and the level of ordinary skill in the art have not been shown to be the same for all cases. The arguments presented by the parties and the expert testimony on the issue have not been shown to be the same for all cases. Each case must be decided on its own facts. Also, Cuozzo presents the terms at issue out of context, without the preceding and succeeding text in the involved claim or claims. There is not an adequate basis to make a proper comparison. Furthermore, district courts do not apply the rule of broadest reasonable interpretation for construing claim terms. Additionally, in the Board's construction, "integrally" has a significance that is more than just "contiguous."

Doctrine of Claim Differentiation

Cuozzo argues that the doctrine of claim differentiation supports its claim construction. PO Resp. 9-13. The argument is without merit.

An independent claim is presumed to be broader than a claim dependent thereon. Under the doctrine of claim differentiation, when a dependent claim adds a limitation relative to the independent claim on which it depends, there is a rebuttable presumption that the independent claim does not require that limitation. *Bancorp Servs. L.L.C. v. Sun Life Assur. Co. of Can.*, 687 F.3d 1266, 1275 (Fed. Cir. 2012); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1315 (Fed. Cir. 2005). Cuozzo provides a diagram, reproduced below (PO Resp. 11):



The diagram illustrates the relationship between certain claims. We agree with Cuozzo's assertion that because each of dependent claims 12 and 18 additionally recites a liquid crystal display relative to independent claim 10, independent claim 10 is presumed not to require that liquid crystal display and, thus,

may read on a mechanical embodiment. We also agree with Cuozzo's assertion that because each of dependent claims 14-16 additionally recites mechanical components for the colored display or the speedometer, independent claim 10 is presumed not to require those mechanical components and, thus, also may read on an electronic embodiment employing a liquid crystal display. It reasonably is not disputable, and has not been disputed by Garmin, that independent claim 10 reads on a mechanical embodiment as well as an electronic embodiment having at least one liquid crystal display, which either is the colored display (claim 12) or is comprised within the speedometer (claim 18).

The rest of Cuozzo's application of the doctrine of claim differentiation, however, is misplaced, as explained below, even though Cuozzo correctly notes that dependent claim 12 adds the feature that said colored display of claim 10 is a liquid crystal display, and that dependent claim 18 adds the feature that the speedometer of claim 10 comprises a liquid crystal display. PO Resp. 12:5-7.

Cuozzo contends that neither claim 12 nor claim 18, presumably via the respective feature added thereby, requires the speedometer's liquid crystal display to be separate from the colored display's liquid crystal display. PO Resp. 12:7-8. On that basis, Cuozzo asserts that claim 18 encompasses a single electronic display that itself operates as a speedometer, or at least the display portion of a speedometer, and a colored display. PO Resp. 12:15-17. Therefore, Cuozzo argues that because independent claim 10 is presumed to be broader than dependent claim 18, claim 10 also must not require the liquid crystal display of the speedometer and the liquid crystal display of the colored dis-

play to be separate. PO Resp. 12:18 to 13:2. Cuozzo thus reasons that the "integrally attached" feature of independent claim 10 "must encompass a single electronic display that itself operates as a speedometer (or at least display portion of a speedometer) and a colored display." PO Resp. 13:3-7.

To the extent that it can be understood, we rephrase, more clearly, the reasoning of Cuozzo as follows:

> Because a feature added by dependent claim 12 or by dependent claim 18 does not include a requirement that the liquid crystal display of the speedometer (claim 18) and the liquid crystal display that is the colored display (claim 12) are separate liquid crystal displays, independent claim 10 also must not have that requirement. Thus, claim 10 must read on a single electronic display that operates as the speedometer display and as the colored display.

The doctrine of claim differentiation does not stand for the proposition that if a dependent claim does not add a certain limitation by further recitation, then the independent claim on which it depends is presumed to be without that limitation. The failure of a dependent claim to add a requirement in its recitations relative to an independent claim on which it depends cannot negate or nullify a limitation that is already in the independent claim. The doctrine of claim differentiation cannot broaden claims beyond their correct scope, determined in light of the specification and the prosecution history and any relevant extrinsic evidence. *Multiform Desiccants, Inc. v. Medzam*, Ltd., 133 F.3d 1473, 1480 (Fed. Cir. 1998).

A correct application of the doctrine of claim differentiation supports the Board's claim construction. Claim 13 indirectly depends on claim 10 through claim 12, and claim 13 specifies that the display controller adjusts the liquid crystal display independently of the speedometer. Claim 17 indirectly depends on claim 10 through claim 14, and claim 17 specifies that the display controller rotates the colored filter independently of the speedometer. Such a claim structure means claim 10 must be sufficiently broad to cover the case in which the speedometer and the colored display retain their separate identities and are independently operable. Claim 10 cannot require a single integral display.

B. Antedating Aumayer and Awada

Aumayer has an effective filing date of October 19, 2000. Awada has an effective filing date of March 8, 2001. Both Aumayer and Awada qualify as prior art under 35 U.S.C. § 102(e)(2), because the effective filing date of each is earlier than the effective filing date of the '074 Patent.

Cuozzo has sought to disqualify Aumayer and Awada as prior art, by demonstrating a date of invention prior to the effective filing date of the references, because 35 U.S.C. § 102(e)(2) requires a prior art patent to have been filed "before the invention by the applicant for patent." *See, e.g.*, *Loral Fairchild Corp. v. Matsushita Elec.*, 266 F.3d 1358, 1362 (Fed. Cir. 2001); *Mahurkar* v. *C.R. Bard, Inc.*, 79 F.3d 1572, 1577 (Fed. Cir. 1996). Priority of invention goes to the first party to reduce to practice unless the other party can show that it was the first to conceive the invention and that it exercised reasonable diligence in later reducing that invention to practice. *Brown v.*

Barbacid, 276 F.3d 1327, 1337 (Fed. Cir. 2002); *Cooper v. Goldfarb*, 154 F.3d 1321, 1327 (Fed. Cir. 1998); *Mahurkar*, 79 F.3d at 1577.

Conception

An inventor's testimony, standing alone, is insufficient to prove conception, as some form of corroboration is required. *Mahurkar*, 79 F.3d at 1577; *Price v. Symsek*, 988 F.2d 1187, 1194 (Fed. Cir. 1993). A rule of reason applies to determine whether the inventor's testimony has been corroborated. *Price*, 988 F.2d at 1194. The requirement for corroboration of inventor's testimony arose out of a concern that inventors testifying at trial would be tempted to remember facts favorable to their case by the lure of protecting their patent or defeating another's patent. *Mahurkar*, 79 F.3d at 1577.

Cuozzo's inventor, Giuseppe A. Cuozzo, states in his declaration (Ex. 3001, ¶¶ 8-9) that on November 28, 1999, he was pulled over and ticketed by a police officer for speeding, and that while the officer was writing the ticket:

> I [Giuseppe A. Cuozzo] came up with the idea of using GPS technology combined with instrumentation for displaying a speed limit and its relation to vehicle speed in a manner that would alert a driver as to whether he or she was speeding without requiring the driver to refer to roadside speed limit signs.

The above-noted testimony of the inventor lacks corroboration. The driving record of the inventor, submitted as Exhibit B of Exhibit 3001, corroborates only that the inventor received a speeding ticket on

November 28, 1999, not anything that Giuseppe A. Cuozzo conceived on that day. In that regard, there is only what the inventor himself states he conceived on that day.

Furthermore, Cuozzo has not explained adequately how the above-quoted idea properly accounts for (1) a colored display and adjustments of the colored display, as are recited in independent claim 10 and carried into dependent claims 14 and 17, (2) a colored filter as is recited in claim 14, and (3) a display controller that rotates the colored filter independently of the speedometer to update continuously the delineation of which speed readings are in violation of the speed limit at the vehicle's present location.

Accordingly, Cuozzo has not established that Giuseppe A. Cuozzo conceived of the invention of claims 10, 14, or 17, as of November 28, 1999.

Cuozzo also submitted the inventor's written disclosure to the Invention Submission Corporation, Exhibit E of Exhibit 3001, titled "Disclosure To ISC And Record Of Invention," to show conception. Garmin does not dispute the sufficiency of the content of that disclosure for showing conception of the subject matter of claims 10, 14, and 17, and we are satisfied with the sufficiency of its technical content. In that regard, for purposes of antedating a prior art reference, the evidence of prior invention may be sufficient if it demonstrates obviousness of the claimed invention. *E.g.*, *In re Spiller*, 500 F.2d 1170, 1178 (CCPA 1974); *In re Stryker*, 435 F.2d 1340, 1341 (CCPA 1971).

However, the date of that invention disclosure needs corroboration other than the inventor's own representation. The disclosure document is a form

including a series of questions with spaces filled-in by answers in handwriting presumably by the inventor Giuseppe A. Cuozzo, and the date of the document is partially filled-in by handwriting as "30th" day of "OCTOBER" 20"00." Exhibit E of Exhibit 3001. We recognize that our reviewing court has set forth clearly that corroboration is not required when a party seeks to prove conception through the use of physical exhibits. *Mahurkar*, 79 F.3d at 1577. But that principle is directed to the technical content of a document, not to the date or origin of the document.

The law requires sufficient proof for the date and identity of a physical exhibit offered to show conception. In that regard, the Federal Circuit stated "[t]his rule is not new to patent law" and observed:

> [C]onception by an inventor, for the purpose of establishing priority, **can not be proved by his mere allegation nor by his unsupported testimony where there has been no disclosure** to others or embodiment of the invention in some clearly perceptible form, such as drawings or model, **with sufficient proof of identity in point of time.** For otherwise[,] such facile means of establishing priority of invention would, in many cases, offer great temptation to perjury, and would have the effect of virtually precluding the adverse party from the possibility of rebutting such evidence. Hence it has been ruled in many cases that the mere unsupported evidence of the alleged inventor, on an issue of priority, as to conception and the time thereof, can not be received as sufficient proof of prior conception.

Price v. Symsek, 988 F.2d at 1194-95 (emphases added) (citations omitted).

The signature of a witness appears on the front page of the invention disclosure document, at a location just below the filled-in date of October 30, 2000. If the signature is authenticated by testimony of the witness, it would serve as effective corroboration that the document existed on October 30, 2000. However, Cuozzo offered no testimony from the witness and has not indicated the identity of the witness who presumably witnessed the document on October 30, 2000. Cuozzo also has not represented, much less established, that the copy of the invention disclosure document was obtained from files that have been maintained regularly or continuously as a routine business record, which may serve as circumstantial evidence of corroboration under a rule of reason analysis.

On this record, and under a rule of reason analysis, the earliest date of conception we accord Cuozzo is December 8, 2000. The record includes a letter from a patent attorney to the inventor, Exhibit H of Exhibit 3001, dated December 8, 2000, which refers to the inventor's "Disclosure to ISC and Record of Invention." A pertinent part of that letter is reproduced below (emphasis in original):

> You authorized ISC to provide us with information we require and have authorized us to provide ISC with information concerning the work we are performing on your behalf. We have received from ISC your **"Disclosure to ISC and Record of Invention"** and other materials relating to your invention and your relationship with ISC. We will immediately commence the preliminary patentability search.

Corroboration can be by independent circumstantial evidence. *Lacotte v. Thomas*, 758 F.2d 611, 613

(Fed. Cir. 1985). The source and content of the letter constitutes sufficient independent circumstantial evidence to corroborate the existence of inventor's "Disclosure To ISC and Record of Invention" that is Exhibit E of Exhibit 3001, as of December 8, 2000.

Reasonable Diligence

We now turn to the issue of reasonable diligence toward reduction to practice. During the period in which reasonable diligence must be shown, there must be continuous exercise of reasonable diligence. *In re McIntosh*, 230 F.2d 615, 619 (CCPA 1956); *see also Burns v. Curtis*, 172 F.2d 588, 591 (CCPA 1949) (referring to "reasonably continuous activity"). A party alleging diligence must account for the entire critical period. *Griffith v. Kanamuru*, 816 F.2d 624, 626 (Fed. Cir. 1987); *Gould v. Schawlow*, 363 F.2d 908, 919 (CCPA 1966).

Even a short period of unexplained inactivity is sufficient to defeat a claim of diligence. *Morway v. Bondi*, 203 F.2d 742, 749 (CCPA 1953); *Ireland v. Smith*, 97 F.2d 95, 99-100 (CCPA 1938). In *In re Mulder*, 716 F.2d 1542, 1542-46 (Fed. Cir. 1983), the Federal Circuit affirmed a determination of lack of reasonable diligence, where the evidence of record was lacking for a two-day critical period. Likewise, in *Rieser v. Williams*, 255 F.2d 419, 424 (CCPA 1958), there was no diligence where no activity was shown during the first 13 days of the critical period.

A party alleging diligence must provide corroboration with evidence that is specific both as to facts and dates. *Gould v. Schawlow*, 363 F.2d at 920; *Kendall v. Searles*, 173 F.2d 986, 993 (CCPA 1949). The rule of reason does not dispense with the need for corrobora-

tion of diligence that is specific as to dates and facts. *Gould*, 363 F.2d at 920; *Kendall*, 173 F.2d at 993; *see also Coleman v. Dines*, 754 F.2d 353, 360 (Fed. Cir. 1985).

The record shows two extended periods of little activity, which have not been explained adequately. The first is approximately a two-month period extending from January 2001 to March 2, 2001, and the second is approximately a five-month period extending from March 10, 2001, to August 8, 2001. Both periods are subsequent to the effective filing date of Aumayer, and only the second period is subsequent to the effective filing date of Awada.

First Gap in Showing of Diligence

Inventor Mr. Cuozzo states in Paragraph 16 of his declaration, Exhibit 3001:

> 16. I received a preliminary report in January 2001 that identified several patents as potential prior art. I analyzed these patents and, on March 2, 2001, I sent my analysis to Monica Bealles, ISC Patent Services Coordinator, to forward to Mr. Kaardal [patent attorney], which she did on March 7, 2001. **Exhibit I** is a copy of my analysis, which I faxed to Ms. Bealles along with a copy of her forward to Mr. Kaardal.

The testimony is not specific as to when in January of 2001, Mr. Cuozzo received the preliminary report. On the issue of diligence, because Cuozzo would benefit with a later date of receipt of the preliminary report, we fairly can assume only the earliest day in January as the date of receipt of the report. *Cf.*, *Haultain v. De Windt*, 254 F.2d 141, 142 (CCPA 1958)

(Where testimony places a date to be proven within a time period, no date earlier than the last day has been proven.).

Cuozzo has not explained why it took as long as two months for the inventor to provide comments on the preliminary report, which identified several patents as potential prior art. Specific facts have not been provided for the circumstances and activities that occurred during those two months. For instance, it has not been indicated, even generally, on which days Mr. Cuozzo reviewed and prepared comments on the preliminary search report and why he did not do so on other days. We cannot conclude that during the two-month period from January 1, 2001, to March 2, 2001, there was reasonably continuous activity toward reducing the invention to practice, sufficient to support a determination of reasonable diligence.

Second Gap in Showing of Diligence

Mr. Cuozzo explains that on March 10, 2001, he received yet another "Preliminary Patentability Search Report" stating that "utility patent protection could potentially be obtainable for your invention." Ex. 3001 ¶ 17. Mr. Cuozzo explains that in light of the "good news" that his invention was potentially patentable, he then discussed the patent application process with ISC, and was informed that patenting referral services could not begin until he paid a minimum of $ 3,500 to ISC, and that the total cost was $ 9,945. Ex. 3001 ¶ 18. Mr. Cuozzo states that on August 8, 2001, he delivered a cashier's check to ISC for $ 9,545 and also paid the balance of $ 400 in cash. Ex. 3001 ¶ 19. Thus, approximately five months passed between the time when Mr. Cuozzo received notice, on March 10, 2001, in a patentability search report that a utility pa-

tent was potentially obtainable for his invention, to the time when Mr. Cuozzo commenced the patenting process with ISC on August 8, 2001, by paying the advance fee that was required by ISC.

To explain the extended duration of that time, Mr. Cuozzo stated in Paragraph 19 of his declaration, Exhibit 3001:

> The cost of the ISC Submission Agreement and patent services presented a significant financial obstacle to me, as I had insufficient income and financing through ISC was not an option. My only option was to use money that was in a trust account set up by my parents when I was a child. Gathering that money from the trust account and convincing my parents that I needed to do that took a few months.

The burden is on Cuozzo to show reasonable diligence covering the entirety of the approximately five-month critical period. The above-quoted testimony is not specific as to either dates or facts. The time of concern covers the period from March 10, 2001, to August 8, 2001. The testimony indicates that the only obstacle standing in the way of commencing the patenting process was a minimum advance payment of $ 3,500, even though the entire cost would be $ 9,945, and that there was enough money in the trust account to cover the entire cost.

It is not clear, however, whether Mr. Cuozzo had authority to draw from the trust account or must obtain approval from his parents. While the Patent Owner Response states, on page 21, that the trust account was not accessible to Mr. Cuozzo, and cites to Paragraph 19 of Mr. Cuozzo's declaration, the testi-

mony from Paragraph 19 of the declaration does not so indicate. On cross-examination, Mr. Cuozzo indicated that his parents exercised no control over the amount and frequency of payments from the trust account, which were fixed, and that he actually borrowed the money directly from his parents and then paid them back with money from his trust account when it was paid to him. Ex. 1024, 2-4.

Whether it is obtaining approval from parents to withdraw money from his trust account, or borrowing money from his parents to be paid back by future payments from his trust account, the declaration of Mr. Cuozzo does not present sufficient facts and dates for the approximately five-month critical period. The issue here lies with insufficiency of proof, and not with recognizing that efforts to obtain money to prepare and file a patent application do constitute qualifying activity. It is fund raising for purposes of commercial development, which does not constitute qualifying activity for diligence. *See, e.g., Scott v. Koyama*, 281 F.3d 1243, 1247-48 (Fed. Cir. 2002), *Griffith*, 816 F.2d at 627.

Additionally, Cuozzo has not made known what other efforts, if any, Mr. Cuozzo made during the approximately five-month period, to secure the necessary funding, or at least the $ 3,500 required to initiate the patenting process. On cross-examination, Mr. Cuozzo stated that he did not try to borrow money from anyone else. Ex. 1024, 4:106:11-13. The evidence does not support a conclusion that there was reasonably continuous activity in the approximately five-month period to secure funding to begin the patenting process, sufficient to support a determination of reasonable diligence from March 10, 2001, to August 8, 2001.

Cuozzo has not antedated successfully either Aumayer or Awada. At this stage in the proceeding, both Aumayer and Awada remain as applicable prior art against Cuozzo.

C. Claims 10, 14, and 17 as unpatentable over Aumayer, Evans, and Wendt

Aumayer

Aumayer discloses a method for displaying vehicle speed. Ex. 1001, Abstract: 1-5. Also, it discloses displaying to the driver the speed limit at the current location of the vehicle, as it states: "In addition, speed limits at the current location may be displayed on the speed scale itself by highlighting an appropriate scale mark or producing a scale mark of a different length or color." Ex. 1001, Abstract: 9-12. Aumayer further states that the current location of the vehicle may be determined by an on-board GPS. Ex. 1001, Abstract: 12-13.

Aumayer discloses that the speed limit at the current location of the vehicle is retrieved from a data storage media according to the current location. Ex. 1001, Abstract: 13-15, 4:45-53. Aumayer discloses an electronic embodiment of its invention, which makes use of a liquid crystal display, a plasma screen, or a cathode ray tube. Ex. 1001, 7:34-37. Figure 2d of Aumayer is reproduced below:

FIG. 2d

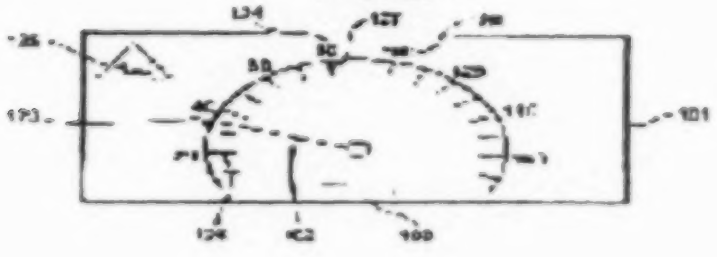


Figure 2d illustrates an embodiment of Aumayer's electronic display. Aumayer describes that the determined speed limit of 80 km/hr for the vehicle's current location is shown by the speed scale value 124 and speed scale mark 127 at the speed limit, both of which are highlighted or emphasized such as by use of color different from that used for the remainder of the display device, by enlargement, and/or by widening, on the electronic display. Ex. 1001, 6:21-27. Aumayer states expressly that the speed limit is highlighted or emphasized by the scale mark 127. Ex. 1001, 6:33-35.

Aumayer discloses continuously updating the applicable speed limit, based on the vehicle's current location. It states (Ex. 1001, 2:36-42):

> It is especially advantageous if an acoustic and/or optical warning signal is produced when the display of the actual vehicle speed and/or the speed limits or maximum allowed speed value changes. The user of the vehicle is thus signaled that he should now consider another speed limit and/or other physical units being used in the region in which the vehicle is now currently located.

Aumayer also discloses updating the stored speed limit data in the vehicle by a radio connection or a data carrier, as it recognizes that maximum speed values may change and desires to display "the correct speed limits." Ex. 1001, 2:57-61.

Aumayer further states that "it is also possible to use a commercial combined apparatus with mechanical display elements for the display device 211." Ex. 1001, 7:42-44. Specific details of that mechanical embodiment are not described. However, Aumayer states that, for example, "a speed limit can be made

visible by background lighting in a different color at the scale mark associated with the corresponding speed limit." Ex. 1001, 7:48-51.

As discussed above, Aumayer describes every feature of claim 10, except for the requirement that the speedometer is "integrally attached" to a colored display that delineates which speed readings are in violation of the speed limit at the vehicle's present location. The single electronic display screen of Aumayer, showing both the image of a speedometer and a colored scale mark indicating the current speed limit, does not meet the claim recitation of a speedometer that is "integrally attached" to a colored display that delineates which speed readings are in violation of the speed limit at the vehicle's present location. The speedometer and the colored display are not discrete components joined to each other with each retaining its own separate identity.

Aumayer states that "it is also possible to use a commercial combined apparatus with mechanical display elements for the display device 211." Ex. 1001, 7:42-44. Aumayer also states that "a speed limit can be made visible by background lighting in a different color at the scale mark associated with the corresponding speed limit." Ex. 1001, 7:48-51. But none of that indicates that a colored display necessarily is attached integrally to the speedometer.

Evans

Evans discloses a combined vehicle speedometer and speed warning indicator. Ex. 1009, 1:68 to 2:23. The speed warning indicator is installed on the speedometer cover. Ex. 1009, 2:16-17. It comprises a transparent plate attached to the front cover of the

speedometer. Ex. 1009, 2:1-3. Evans describes the speed warning indicator as follows, Ex. 1009, 2:3-8 (emphasis added):

> The plate bears **warning indicia**, for example, a **special color and/or a plurality of marks, spaces, ridges, etc.** so that when the speedometer dial is viewed through it, a portion of the dial representing speeds in excess of a predetermined limit are demarked by the warning indicia.

Evans describes that a driver can tell what speeds are under or in excess of the speed limit by making a swift reference to the speedometer through the indicator and seeing whether the speedometer needle is in or out of the warning area on the indicator plate. Ex. 1009, 2:9-13. Evans further describes that the indicator plate can be made adjustable for changes in the speed limit. Ex. 1009, 2:18-19. As shown in Figure 3, reproduced below, the red colored plate 12 is positioned on speed dial 30 so that only the portion of the dial that contains numbers representing speeds in excess of the speed limit is overlaid by the plate:

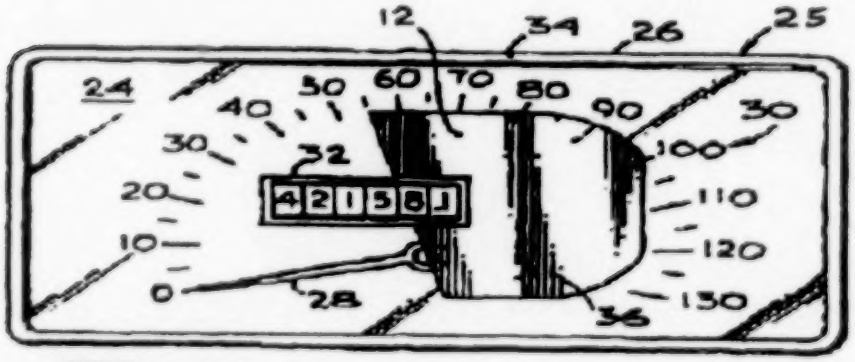


Fig. 3

Figure 3 illustrates the speedometer display and colored plate combination of Evans. The colored plate 12 of Evans is a fixed structure integrally attached to

the speedometer. Although the plate may be removed and replaced, in its operational state it is a fixed, non-moveable, and non-adjustable structure. In that respect, Evans states, Ex. 1009, 3:37-44:

> It will be understood that plate 12 can, if desired, be removed from cover 24 and either another similar plate of different configuration can be substituted or plate 12 can be recut and repositioned or merely repositioned on cover 24 so as to extend over another range of speed numbers on dial 30. For example this would be desirable in the event that the 55 mph current speed limit were abolished.

Wendt

Wendt's invention relates to an automobile speed limit indicator adapted to be used "upon the speedometer of any automobile by being readily attached and adjusted at all times to indicate the proper speed limit by means of a pointer." Ex. 1011, 1:15-20. The speed limit indicator is attachable by a suction cup to the glass cover of a speedometer, and includes a moveable pointer preferably provided with a handle or a knob. Ex. 1011, 2:30-41; 3:12-16. Figure 4 is shown below:

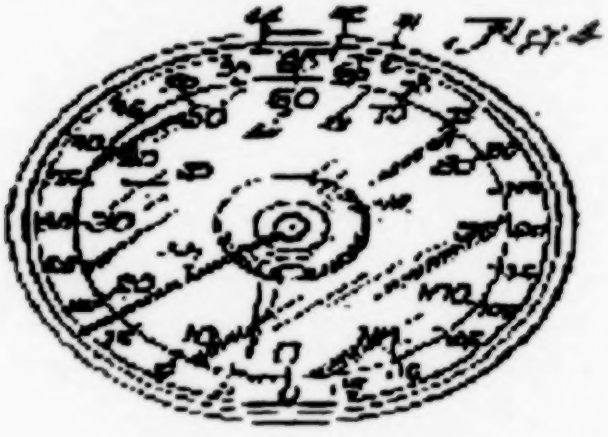


Figure 4 illustrates a front plan view of the speed limit indicator already attached to the glass cover of a speedometer. Wendt describes that when the vehicle operator observes that the speed limit is 20, he turns the pointer 16 to the speedometer indication 20, and that if the speed limit changes to 25, 30, or 35, or whatever it may be, the driver again should adjust the pointer by rotating the knob 17. Ex. 1011, 3:17-25.

The Obviousness Reasoning

In an obviousness analysis, it is not necessary to find precise teachings in the prior art directed to the specific subject matter claimed because inferences and creative steps that a person of ordinary skill in the art would employ can be taken into account. *See KSR Int'l Co.*, 550 U.S. at 418. A basis to combine teachings need not be stated expressly in any prior art reference. *In re Kahn*, 441 F.3d 977, 987-88 (Fed. Cir. 2006). There need only be an articulated reasoning with rational underpinnings to support a motivation to combine teachings. *Id.* at 988. Also, the level of ordinary skill in the art usually is evidenced by the references themselves. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001); *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995); *In re Oelrich*, 579 F.2d 86, 91 (CCPA 1978).

As discussed above, Evans describes a colored plate for indicating the speed limit, which plate is attached integrally to the speedometer in a fixed position but replaceable by a plate having a different shape to reflect a different speed limit. Also as discussed above, Wendt describes use of a rotatable pointer for indicating the applicable speed limit dynamically. Such disclosures of Evans and Wendt logically would have suggested to one with ordinary skill

in the art that the colored plate of Evans can be made dynamically-adjustable by the driver.

In light of Aumayer's electronic speed limit indicator, which makes use of a GPS receiver to determine a vehicle's current location, and which then makes use of the determined location to look up the applicable speed limit at that location for display, one with ordinary skill in the art would have known to apply the same automated approach to the manually-adjustable colored plate suggested by Evans and Wendt. One with ordinary skill possesses ordinary creativity and is not an automaton. *KSR Int'l Co.*, 550 U.S. at 421. In that connection, one with ordinary skill would have recognized and appreciated that the manually-adjustable colored plate of Evans and Wendt can be improved by adding automatic control if the dynamic settings are automatically determinable, as in the case of Aumayer's device. *See, e.g., Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1161-62 (Fed. Cir. 2007). Cuozzo does not argue that one with ordinary skill in the art would not have known how to implement the automatic control on the manually-adjustable colored plate of Evans and Wendt.

Cuozzo argues that Aumayer does not disclose updating continuously the delineation of which speed limit readings are in violation of the speed limit at a vehicle's present location, as is recited in claim 10, because, according to Cuozzo, the speed limit discussed in Aumayer "is a speed limit for a certain class of road in a given region and is not based on the 'vehicle's present location.'" PO Resp. 25:1-5. Cuozzo notes that one with ordinary skill would not consider a region, such as a state, country, or city, as a vehicle's present location. PO Resp. 25:9-11.

The argument is misplaced. Based on facts determined above with regard to Aumayer, it is indisputable that Aumayer displays the speed limit for the current location of a vehicle as determined by a GPS receiver, and not merely the speed limit for a certain class of road in a given region without any connection to the vehicle's current location. Cuozzo does not address, meaningfully, the portions of Aumayer identified and discussed above. Rather, Cuozzo focuses on the manner in which Aumayer obtains the speed limit for the present location of the vehicle.

Cuozzo has identified nothing in the claims that precludes a system from first dividing all possible locations into regions and class of roads within each region, then storing speed limit information based on such organization, and then looking up the applicable speed limit based on a vehicle's current location as determined by a GPS receiver and where that current location falls within the classification. Aumayer discloses that a region is an area having the same speed limit for the same type of streets or roads. Ex. 1001, 8:1-6. Aumayer also discloses that as a vehicle travels from one class of street or road to another, the speed limit display will be changed to reflect any change in the applicable speed limit. Ex. 1001, 5:2-5; 5:63; 2:57-59. It is inconsequential that Aumayer obtains the speed limit for a vehicle's present location by accessing a database, which is organized by regions and class of roads within each region. The updating is as continuous as it needs to be to indicate the speed limit at the current location.

Furthermore, Cuozzo has articulated no purpose, let alone any benefit noted in the disclosure of Aumayer, for displaying to the driver of a vehicle the speed limit of any class of road in any region, when

the vehicle is not presently on that class of road in that region. That is not the invention or the disclosure of Aumayer.

Cuozzo argues that one with ordinary skill in the art would not have combined the dynamic, continuously controlled display system of Aumayer with the immovable color plate 12 of Evans or the manually rotated pointer 16 and rubber suction cup unit of Wendt. PO Resp. 27:6-10. The argument is without merit. The reasoning for arriving at the invention of claim 10, based on the collective teachings of Aumayer, Evans, and Wendt, is articulated and explained above and is not undermined by Cuozzo's argument. As discussed above, one with ordinary skill would have recognized that the dynamically-adjustable colored plate suggested by Evans and Wendt can be improved by adding automatic control, if the dynamic settings are automatically-determinable.

Teaching Away Argument

Cuozzo further argues that all three of Aumayer, Evans, and Wendt teach away from a combination of Aumayer, Evans, and Wendt. The argument is not supported by the respective reference disclosures.

To constitute properly a "teaching away," the teaching must be evaluated from a technological perspective, not merely a comparative perspective. For instance, it is not a "teaching away" of significance unless one with ordinary skill in the art would have understood the teaching as conveying that the method or structural configuration at issue reasonably cannot be expected to achieve what it is required to achieve according to the claimed invention. *See, e.g., Syntex (U.S.A.) LLC v. Apotex, Inc.*, 407 F.3d 1371, 1380

(Fed. Cir. 2005) ("Under the proper legal standard, a reference will teach away when it suggests that the developments flowing from its disclosures are unlikely to produce the objective of the applicant's invention." (citing *In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994))).

A prior art reference must be considered for everything it teaches by way of technology and is not limited to the particular invention it is describing and attempting to protect. *EWP Corp. v. Reliance Universal Inc.*, 755 F.2d 898, 907 (Fed. Cir. 1985). The use of patents as references is not limited to what the patentees describe as their own inventions or to the problems with which they are concerned, as they are a part of the literature and are relevant for all they contain. *In re Heck*, 699 F.2d 1331, 1333 (Fed. Cir. 1983) (citing *In re Lemelson*, 397 F.2d 1006, 1009 (CCPA 1968)).

There is no requirement that anything disclosed in a prior art reference, such as its stated purpose, goal, or objectives, must be preserved or further developed by every reliance on its teachings as prior art. All of the disclosures of a prior art reference, including non-preferred embodiments, must be considered. *In re Lamberti*, 545 F.2d 747, 750 (CCPA 1976); *see also In re Susi*, 440 F.2d 442, 446 n.3 (CCPA 1971) (one is not significantly "taught away" from a "particularly preferred embodiment" by the suggestion that something else may be even better).

According to Cuozzo, because Aumayer describes that its combined instrument (one device for use in multiple countries) "advantageously comprises a display screen so that the method according to the invention can be performed without mechanical or struc-

tural arrangements," Ex. 1001, 2:49-53, it teaches away from combining with Evans and Wendt. PO Resp. 27:10-20. For reasons discussed above, the argument is without merit. A mechanical embodiment is not described as inoperative, just less advantageous or less preferred.

According to Cuozzo, Evans states that use of a speedometer of a special design "like the combined instrument in Aumayer" would be too expensive and unsuccessful. PO Resp. 28:9-17. That is simply incorrect. Evans was issued in 1976 and Aumayer in 2003. Evans could not have been referring specifically to the device of Aumayer. Evans does state that certain specialized speed limit indicator devices have been used in the past but not extensively or successfully. Ex. 1009, 1:46-52. That does not teach away from applying the transparent colored plate of the combined teachings of Evans and Wendt to the glass cover of Aumayer's speed limit indicator.

Evans describes that prior speed limit indicators were expensive and invariably required disassembly of the vehicle speedometer or construction of a new speedometer to substitute for the one with which a vehicle initially is equipped. Ex. 1009, 1:46-52. That does not mean the preexisting speed limit indicators were inoperative or nonfunctional, and certainly not that Aumayer's speed limit indicator appearing 27 years later will be inoperative or nonfunctional, particularly if it is to incorporate the transparent colored plate according to the combined teachings of Evans and Wendt.

According to Cuozzo, the device of Wendt was meant to work with a mechanical speedometer. That is true, but it does not mean Wendt discloses that its

device cannot work with a speedometer with an electronic display. It also does not mean that a combined device of Evans and Wendt will be inoperative, or nonfunctional, if applied to the glass cover of an electronic display.

Cuozzo argues that Wendt teaches away from an automatically adjusting speed limit display such as that disclosed by Aumayer, because Wendt discloses benefits for having the driver manually manipulate the mechanical pointer to adjust the speed limit indication. PO Resp. 29:3-10. The pertinent portion of Wendt is reproduced below (Ex. 1011, 5:8-15):

> The present speed indicator, when used on a speedometer, will discipline the driver and cause him to look for and observe speed limit signs and then make a temporary record of the speed limit by moving the pointer to that point on the speedometer.
>
> It will be a useful aid to the driver to prevent him from forgetting the speed limit and to remind him that the speedometer pointer must not pass the speed limit pointer.

The above-quoted text would not have conveyed to one with ordinary skill in the art that automatic updating of the speed limit display without driver participation cannot be accomplished or would be inoperative or nonfunctional. Rather, one with ordinary skill in the art would have recognized and appreciated that automatic updating of the speed limit display provides the driver of the vehicle a different kind of reminder, a visual reminder through the automatically updated display. Also, as discussed above, there is no requirement that in determining obviousness, every

goal or objective of a prior art reference must be advanced when relying on any technical disclosure of the reference. The obviousness analysis is not an attempt to incorporate every feature of each reference. The value of a prior art reference is not limited to the particular invention it is describing and attempting to protect. *EWP Corp.*, 755 F.2d at 907.

All of Cuozzo's arguments alleging a "teaching away" of the combined teachings of Aumayer, Evans, and Wendt are without merit.

Claim 14 depends on claim 10, and claim 17 depends on claim 14. We are persuaded that claims 10, 14, and 17 would have been obvious over the combined teachings of Aumayer, Evans, and Wendt. With regard to claims 14 and 17, Cuozzo makes no argument separate from those it has raised with respect to claim 10 and already discussed above. With respect to claim 14, we note that the colored display according to the combined teachings of Evans and Wendt is a colored filter. With respect to claim 17, we note that the colored filter according to the combined teachings of Evans and Wendt would be rotated independently by a controller to update continuously the delineation of which speed readings are in violation of the speed limit at the vehicle's present location.

D. Claims 10, 14, and 17 as unpatentable over Tegethoff, Awada, Evans, and Wendt

Tegethoff

Tegethoff discloses an image display system for use on a vehicle, which includes an image screen and an image generating computer. Ex. 1003, 4:2:16-18. The image displayed on the screen imitates analog

mechanical pointer instruments, and in image form cannot be distinguished from actual mechanical devices. Ex. 1003, 4:2:34-40.

Figure 2 of Tegethoff is reproduced below:

Figure 2 illustrates an image of Tegethoff's speedometer display. Ex. 1003, 5:2:30-32. On the image shown is a mark 5 for indicating the currently permissible maximum speed for the road section where the vehicle is located. Ex. 1003, 6:1:9-12. That maximum speed can be set according to an element for navigation and a database. Ex. 1003, 6:1:13-15. Tegethoff describes that the critical markings such as that showing the speed limit can be colored red. Ex. 1003, 7:1:38-45.

Awada

Awada discloses a method and apparatus for reporting the legal speed limit to the driver of a vehicle. Exhibit 1010, 1:36-38. Awada describes using a GPS receiver to determine the present location of the vehi-

cle, and then using that determined position as a search key in a database to retrieve speed limit for that location. Ex. 1010, 1:39-43. The retrieved speed limit then is reported to the driver. Ex. 1010, 1:43-44. Awada discloses that the database of speed limit information may be stored locally or stored in a remote location that is accessible by a wireless communication link. Ex. 1010, 1:39-47. Awada further discloses that in one embodiment a warning chime is played through a speaker or through the earpiece of the driver's cellular telephone, if the vehicle exceeds the speed limit. Ex. 1010, 1:50-55.

Figure 1 of Awada is reproduced below:

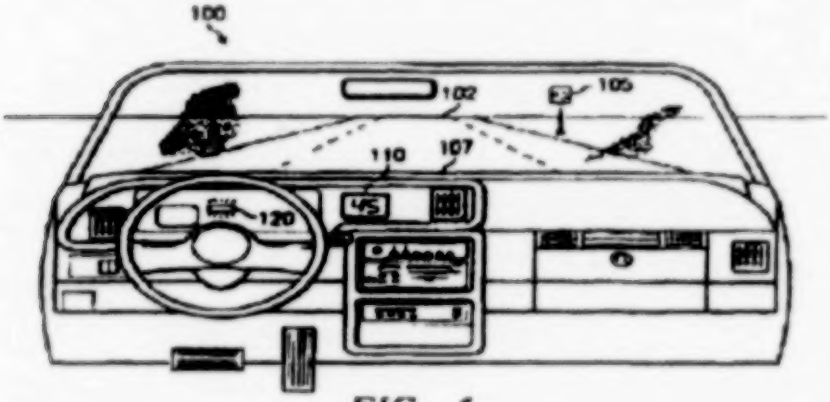


FIG. 1

Figure 1 illustrates an embodiment of Awada's speed limit display. As is depicted in Figure 1, a vehicle is traveling on road 102, which has a posted legal speed limit 105, and mounted on the dashboard 107 of the vehicle is a display 110, which shows the driver the speed limit at the vehicle's current location. Ex. 1010, 2:24-30. Also mounted on the dashboard is a warning light 120, which indicates when the vehicle exceeds the speed limit. Ex. 1010, 2:30-31.

The Obviousness Reasoning

We first address a key argument advanced by Cuozzo, i.e., that the reference to "maximum permissible speed" in Tegethoff is not directed to the speed limit contemplated by the claimed invention, i.e., the legal speed limit. We agree with Cuozzo, that "speed limit" in claim 10 of the '074 Patent means the legal speed limit. However, a legislative speed limit is a legal speed limit.

Cuozzo notes that Tegethoff describes that the "maximum permissible speed" can be set in one of three ways: (1) manually by the driver, (2) "according to an element for navigation and a database with traffic control information," and (3) "by an element for receiving transmitters outside the vehicle for traffic control." PO Resp. 30:11-16. Cuozzo states that none of those ways suggests that the "maximum permissible speed" is the legal speed limit. PO Resp. 30:16-18.

Cuozzo's argument is unpersuasive. It fails to address other language in the disclosure of Tegethoff. In particular, Tegethoff states, Ex. 1003, 7:1:38-48 (emphasis added):

> With the markings shown above in the shape of marks or display bars, the coloring can also help quicker classification of information by the driver. Thus, for example, warnings that require immediate action or represent a critical technical or **legislative limit**, can appear in the color red (e.g., a **maximum speed** or the part of the breaking distance or stopping distance that exceeds the distance to the vehicle ahead).

In light of the above-quoted text referring to the "legislative limit" in the context of a "maximum speed," one with ordinary skill in the art would have recognized that Tegethoff discloses the legislative speed limit as one form of implementation of what is referred to as "maximum permissible speed" in the disclosure of Tegethoff. At the very least, Tegethoff reasonably would have suggested the legislative speed limit as the "maximum permissible speed."

Tegethoff is not sufficiently specific about how its system obtains the "maximum permissible speed," for example, the legislative speed limit. Awada, however, discloses that the legal speed limit can be obtained by using a GPS receiver to obtain the present location of a vehicle, and then using that determined location to access a speed limit database to retrieve the speed limit at the vehicle's current location. Ex. 1010, 1:39-43, 2:24-42.

In light of Tegethoff and Awada, one with ordinary skill in the art would have known to use the method disclosed in Awada to obtain the legal speed limit at the vehicle's current location and regard it as the "maximum permissible speed" in Tegethoff. Tegethoff even specifically mentions the use of "an element for navigation" for setting the maximum speed. Ex. 1003, 6:1:13-16.

As described above, Tegethoff and Awada collectively account for every feature of claim 10, except for the requirement that the speedometer is "integrally attached" to a colored display that delineates which speed readings are in violation of the speed limit at the vehicle's present location. The single electronic display screen of Tegethoff, showing both the image of a speedometer and a colored scale mark indicating

the current speed limit, does not meet the claim recitation of a speedometer that is attached integrally to a colored display that delineates which speed readings are in violation of the speed limit at the vehicle's present location. As is the case with Aumayer, described above, the speedometer and the colored display are not discrete components joined to each other with each retaining its own identity. Rather, there is a single integral display, which performs the function of both the speedometer and colored display.

In light of the colored plate in Evans for indicating the speed limit, which plate is attached integrally to the speedometer in a fixed manner but replaceable by a plate having a different shape to reflect a different speed limit, and also the rotatable pointer of Wendt for indicating the applicable speed limit dynamically, one with ordinary skill in the art would have known to make Evans' colored plate manually-adjustable by the driver to reflect changes in speed limit dynamically.

Based on the combined teachings of Tegethoff and Awada with regard to a speed limit indicator that makes use of a GPS receiver to determine a vehicle's current location, and then makes use of the determined location to look up the speed limit at that location for display, one with ordinary skill in the art would have known to apply an automated approach to the manually-adjustable colored plate of Evans and Wendt. One with ordinary skill would have recognized that the manually-adjustable colored plate of Evans and Wendt can be improved by adding automatic control provided by a GPS receiver and electronically stored speed limit values based on vehicle location, as is disclosed by Tegethoff and Awada. *See, e.g., Leapfrog Enters., Inc.*, 485 F.3d at 1161-62.

Cuozzo argues that Awada merely discusses reporting the speed limit to the driver and nowhere mentions displaying the speed of the vehicle to the driver, much less delineating which "speed readings" of the vehicle are in violation of the applicable speed limit. PO Resp. 32:1-13. The argument is misplaced, because Awada is relied on solely for its teachings of how to obtain the speed limit for the current location of the vehicle. One cannot show non-obviousness by attacking references individually where the grounds of unpatentability are based on combinations of references. *In re Merck*, 800 F.2d 1091, 1097 (Fed. Cir. 1986); *In re Keller*, 642 F.2d 413, 426 (CCPA 1981).

Cuozzo argues that neither Evans nor Wendt discloses or suggests the use of a display controller or a global positioning system receiver. PO Resp. 32:19 to 33:1. That argument equally is misplaced, as it is also premised on attacking the references individually when the ground of unpatentability is based on a combination of references. Evans and Wendt are not relied on for teaching or suggesting the use of a display controller or a global positioning system receiver. Cuozzo's contention does not undermine the obviousness rationale based on the combined teachings of Tegethoff, Awada, Evans, and Wendt.

Cuozzo argues that one with ordinary skill would not have combined Awada's dynamic speed limit display system with the immoveable colored plate 12 of Evans. PO Resp. 34:10-13; 35:2-4. The argument again is misplaced, for attacking references individually cannot show non-obviousness where the ground of unpatentability is based on a combination of references. Evans and Wendt in combination suggest a manually-adjustable colored plate for indicating the speed limit. Cuozzo's reading of Evans as disclosing

an "immovable" colored plate that is not combinable with "dynamic" aspects of Awada's system fails to consider the teachings of Evans and Wendt in collectively conveying an adjustable colored plate indicative of the speed limit.

Cuozzo further makes a number of "teaching away" arguments, all of which misapply the concept of "teaching away" in a similar manner as we have rejected its "teaching away" arguments in the context of Aumayer, Evans, and Wendt.

First, Cuozzo contends that both Tegethoff's and Wendt's manually-adjustable control teach away from a combination with Awada because the potential to set the alert at above the speed limit is contrary to Awada's goal of being alerted when the speed limit is exceeded. PO Resp. 33:14 to 34:2; 34:4-6; 34:19 to 35:5. The argument is without merit. Each of Tegethoff and Wendt is concerned with being alerted of the vehicle's exceeding the legal speed limit. A manual setting is just one implementation of Tegethoff. Other implementations rely on a navigation device and a database. Ex. 1003, 6:1:13-18.

Secondly, Cuozzo argues that Tegethoff and Awada teach away from mechanical speedometers like those used in Evans and Wendt. PO Resp. 35:6 to 36:7. Cuozzo refers to this language in Tegethoff (Ex. 1003, 2:2:33-40):

> The object of the present invention is to create a display system that has the good readability of analog pointer instruments and, moreover, in an easily understandable manner provides additional information that facilitates the safe and economi-

> cal operation of the vehicle. This object is attained with a display system.

Cuozzo also refers to this language in Awada (Ex. 1010, 1:17-20):

> In such cases, it would be helpful if the driver were provided with a constant indication of the posted speed limit, as a display on the dashboard of an automobile, for instance.

Cuozzo's "teaching away" argument is misplaced. The fact that Tegethoff recognizes a benefit of an electronic display over a mechanical speedometer does not mean that elements designed for use with the latter, such as the manually-adjustable colored display of Evans and Wendt, have been indicated as unusable with a speedometer having an electronic display. Even though the device of Evans and Wendt is designed to work with a conventional mechanical speedometer, one with ordinary skill in the art would have recognized that the colored display of Evans and Wendt can be mounted to the glass cover of either a conventional mechanical speedometer or an electronic version of the same. With regard to the above-quoted statement in Awada, Cuozzo fails to point to credible evidence reasonably indicating that the colored display according to the combined teachings of Evans and Wendt cannot be put under automatic control.

In any event, as we already have discussed above, specific goals and advantages noted in a prior art reference need not always be preserved when relying on its technical teachings. A prior art reference must be considered for everything it teaches by way of technology and is not limited to the particular invention it

is describing and attempting to protect. *EWP Corp.*, 755 F.2d at 907.

According to Cuozzo, Evans states that use of a speedometer of a special design "like the display system in Tegethoff and the automatic display system of Awada would be too expensive and unsuccessful." PO Resp. 36:7-9. That is simply incorrect. Evans issued in 1976; Tegethoff issued in 1998; and Awada issued in 2003. Evans could not have been referring specifically to the device of Tegethoff or Awada. Evans does state that certain specialized speed limit indicator devices have been used in the past but not extensively or successfully. Ex. 1009, 1:46-52. It is not evident what that has to do with a teaching away from applying the transparent colored plate of Evans and Wendt to the glass cover of an electronic speed limit indicator of Tegethoff and Awada.

Evans describes that prior speed limit indicators were expensive and required disassembly of the speedometer or construction of a new speedometer. Ex. 1009, 1:46-52. That does not mean preexisting indicators were inoperative or nonfunctional, and certainly not that Tegethoff's or Awada's indicator appearing twenty-two and twenty-seven years later, respectively, will be inoperative or nonfunctional.

According to Cuozzo, the device of Wendt was meant to work in conjunction with a standard mechanical speedometer. However, that does not mean Wendt discloses that its device cannot work with a speedometer having an electronic display. It also does not mean that a combined device of Evans and Wendt will be inoperative, or nonfunctional, if applied to the glass cover of a speedometer with an electronic display.

Cuozzo argues that Wendt teaches away from automatically adjusting the speed limit display, because Wendt discloses benefits for having the driver manually manipulate the mechanical pointer. PO Resp. 37:1-8. We already have rejected that argument in the context of the obviousness ground over Aumayer, Evans, and Wendt. We note further that one with ordinary skill in the art would have recognized that automatic updating of the speed limit display provides the driver a different kind of reminder than that provided by physical manipulation.

Cuozzo's arguments alleging a "teaching away" from a combination of Aumayer, Evans, and Wendt that meets the claimed invention are unpersuasive.

We are persuaded that claims 10, 14, and 17 would have been obvious over Tegethoff, Awada, Evans, and Wendt. With regard to claims 14 and 17, Cuozzo makes no argument separate from those it has raised for claim 10.

E. Cuozzo's Motion to Amend Claims

Cuozzo filed a motion (Paper 32) to amend claims. Cuozzo seeks to replace claim 10 with substitute claim 21, claim 14 with substitute claim 22, and claim 17 with substitute claim 23. Claims 22 and 23 each depend on claim 21.

With respect to claim 10, substitute claim 21 adds:

> wherein the speedometer comprises a liquid crystal display, and wherein the colored display is the liquid crystal display.

The above-noted addition represents more than just incorporating the limitations of original depend-

ent claims 12 and 18 into independent claim 10, because claim 18 recited only that the speedometer comprises a liquid crystal display, not also that the colored display is that same liquid crystal display.

Also included within substitute claim 21 is this limitation pre-existing in claim 10: a speedometer integrally attached to said colored display.

Thus, as written in proposed substitute claim 21, the speedometer has to be "integrally attached" to a colored display, which is a liquid crystal display and which also is a component comprised within the speedometer itself.

Per 35 U.S.C. § 316(d)(3), a claim amendment in an *inter partes* review may not enlarge the scope of the claims of the patent or introduce new matter.

The Patent Owner has the burden to set forth written description support in the original disclosure for each added or amended claim. 37 C.F.R. § 42.121(b)(1). Given the proper construction of "integrally attached," in the context of the original disclosure, Cuozzo has not shown that the original disclosure of the '074 Patent provides written description for this trifecta: (1) speedometer comprises a liquid crystal display; (2) colored display is that liquid crystal display comprised by the speedometer; and (3) the speedometer is attached integrally to that colored display, which is the liquid crystal display comprised by the speedometer.

Cuozzo points to original patent claim 18 for describing "wherein the speedometer comprises a liquid crystal display." Motion, at 7:3-8. It does. For each of the other two elements in the trifecta, both requir-

ing the colored display to be "the" liquid crystal display comprised by the speedometer, Cuozzo merely points to the disclosure, which indicates that the colored display "is a liquid crystal display" (claim 12, emphasis added), "may take the form of a colored filter" (Ex. 3006, 3:3-6, emphasis added), and "could also take the form of a liquid crystal display" (Ex. 3006, 6:11-14, emphasis added). Motion (Paper 32) at 7:9-15. The showing is not commensurate in scope with what is claimed, i.e., that the colored display is the liquid crystal display comprised by the speedometer.

Cuozzo does not adequately explain how the evidence relied on describes the "integrally attached" requirement between the speedometer and the colored display where the colored display is the liquid crystal display comprised by the speedometer. In that regard, we note further the analysis contained in the claim construction section of this opinion, which concludes that the original disclosure of the '074 Patent does not describe an embodiment using a single liquid crystal display to show the speed readings of a speedometer as well as the delineations of which speed readings violate the speed limit at the vehicle's present location.

Cuozzo has failed to set forth how proposed substitute claims 21-23 satisfy the written description requirement of 35 U.S.C. § 112, first paragraph.

Substitute claims 21-23 also enlarge the scope of the respective original patent claims which they replace. As is pointed out by Garmin, a proper construction of "a speedometer integrally attached to said colored display" in the context of original patent claims 10, 14, and 17, and as articulated by the Board, does not cover a speedometer and a colored display

that is subsumed completely within the speedometer. Yet, that arrangement would be within the scope of substitute claim 21, as Cuozzo redefines the meaning of "integrally attached." The scope of each of claims 10, 14, and 17 has been enlarged because a structure not covered by those claims would be covered by respective substitute claims 21-23.

F Cuozzo's Motion to Exclude Evidence

Cuozzo seeks to exclude certain testimony of Prof. James Morris. Motion (Paper 48), at 2:5-8. The motion is *dismissed* as moot, because we have not reached the merits of Garmin's argument that relied on the testimony Cuozzo seeks to exclude, i.e., the argument that substitute claim 23 enlarges the scope of original patent claim 17, because claim 23 has been broadened to cover displaying a single speed reading in red once the speed reading exceeds the speed limit.

CONCLUSION

Garmin has met its burden of proof by a preponderance of the evidence in showing that claims 10, 14, and 17 of the '074 Patent are unpatentable under 35 U.S.C. § 103: (1) as obvious over Aumayer, Evans, and Wendt, and (2) as obvious over Tegethoff, Awada, Evans, and Wendt.

In consideration of the foregoing, it is

ORDERED that claims 10, 14, and 17, of the '074 patent are CANCELLED;

FURTHER ORDERED that Cuozzo's Motion to Exclude Evidence is *dismissed*; and

FURTHER ORDERED Cuozzo's Motion to Amend Claims is *denied*.

APPENDIX F

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GARMIN INTERNATIONAL, INC. ET AL.
Petitioner

v.

Patent of CUOZZO SPEED TECHNOLOGIES LLC
Patent Owner

Case IPR2012-00001 (JL)
Patent 6,778,074

Date: January 9, 2013

Before MICHAEL P. TIERNEY, *Lead Administrative Patent Judge*, JAMESON LEE and JOSIAH COCKS, *Administrative Patent Judges.*

LEE, *Administrative Patent Judge.*

DECISION TO INITIATE TRIAL FOR INTER PARTES REVIEW

BACKGROUND

Petitioner Garmin International Inc. et al. requests inter partes review of claims 1-20 of US Patent 6,778,074 ('074 Patent) pursuant to 35 U.S.C. §§ 311 et seq. The Patent Owner, Cuozzo Speed Technologies LLC., has waived its right to file a preliminary response under 37 C.F.R. § 42.107(b). (Paper 10). We have jurisdiction under 35 U.S.C. § 314.

The standard for instituting inter partes review is set forth in 35 U.S.C. § 314(a) which provides:

> THRESHOLD -- The Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

Petitioner challenges the patentability of claims 1-20 on the basis of the following items of prior art:

US 6,633,811 (**Aumayer**)	October 14, 2003	Ex. 1001
US 6,515,596 (**Awada**)	February 4, 2003	Ex. 1010
German DE 19755470 A1 (**Tegethoff**)	September 24, 1998	Ex. 1002
English Translation of Tegethoff		Ex. 1003
JP H07-182598 (**Hamamura**)	July 21, 1995	Ex. 1006
English Translation of Hamamura		Ex. 1007
US 5,375,043 (**Tokunaga**)	December 20, 1994	Ex. 1005
US 3,980,041 (**Evans**)	September 14, 1976	Ex. 1009
US 2,711,153 (**Wendt**)	June 21, 1955	Ex. 1011

In this opinion, citations to Tegethoff and Hamamura are made with respect to their respective English translations noted above.

Petitioner expressly asserts these grounds of unpatentability:

1. Claims 1, 2, 6, 7, 8, 9, 10, 11, 12, 13, 18, 19, and 20 are unpatentable under 35 U.S.C. § 102(e) as anticipated by Aumayer.

2. Claims 1, 2, 6, and 7 are unpatentable under 35 U.S.C. § 102(b) as anticipated by Tegethoff.

3. Claim 1 is unpatentable under 35 U.S.C. § 102(b) as anticipated by Tokunaga.

4. Claims 3, 4, 5, 14, 15, and 16 are unpatentable under 35 U.S.C. § 103 as obvious over Aumayer and Evans.

5. Claim 17 is unpatentable under 35 U.S.C. § 103 as obvious over Aumayer, Evans, and Wendt.

6. Claims 3, 4, and 5 are unpatentable under 35 U.S.C. § 103 as obvious over Tegethoff and Evans.

7. Claims 8, 9, 10, 11, 12, 13, 18, 19, and 20 are unpatentable under 35 U.S.C. § 103 as obvious over Tegethoff and Awada.

8. Claims 14, 15, and 16 are unpatentable under 35 U.S.C. § 103 as obvious over Tegethoff, Awada, and Evans.

9. Claim 17 is unpatentable under 35 U.S.C. § 103 as obvious over Tegethoff, Awada, Evans, and Wendt.

10. Claims 10 and 20 are unpatentable under 35 U.S.C. § 103 as obvious over Tokunaga and Hamamura.

DISCUSSION

Our decision hinges on the meaning of "integrally attached" in independent claims 1 and 10.

Claim Construction

Consistent with the statute and the legislative history of the AIA, the Board interprets claim terms by applying the broadest reasonable construction in the context of the specification in which the claims reside. 37 C.F.R. § 42.100(b); *see* Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48766 (Aug. 14, 2012).

Also, we give claim terms their ordinary and accustomed meaning as would be understood by one of ordinary skill in the art. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1326 (Fed. Cir. 2005)(en banc). That ordinary and accustomed meaning applies unless the inventor as a lexicographer has set forth a special meaning for a term. *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1477 (Fed. Cir. 1998); *York Prods., Inc. v. Central Tractor Farm & Family Ctr.*, 99 F.3d 1568, 1572 (Fed. Cir. 1996). When an inventor acts as a lexicographer, the definition must be set forth with reasonable clarity, deliberateness, and precision. *Renishaw PLC v. Marposs Societa per Azioni*, 158 F.3d 1243, 1249 (Fed. Cir. 1998).

If we need not rely on a feature to give meaning to what the inventor means by a claim term, that feature would be "extraneous" and should not be read into the claim. *Renishaw PLC*, 158 F.3d at 1249. The construction that stays true to the claim language and

most naturally aligns with the inventor's description is likely the correct interpretation. *See Id.*, 158 F.3d at 1254.

In some cases, the ordinary meaning of claim language as understood by a person of skill in the art may be readily apparent even to lay judges, and claim construction in such cases involves little more than the application of the widely accepted meaning of commonly understood words. *Phillips v. AWH Corp.*, 415 F.3d at 1314. In this case, Petitioner sets forth no claim construction that is purportedly different between that from the perspective of one with ordinary skill in the art on the one hand and that of lay persons on the other. We have no basis to think differently and to conclude otherwise. So for purposes of this decision we proceed on the basis that the plain and ordinary meaning of words in their common usage applies, albeit taken in the context of the disclosure of the '074 Patent.

The Invention of the '074 Patent

The disclosed invention of the '074 Patent is directed to a speed limit indicator and method for displaying speed and the relevant speed limit for use in connection with vehicles. (Spec. 1:9-11). Specifically, the speed indicator displays the current speed of a vehicle and how it relates to the legal speed limit for the current location in which the vehicle is traveling. (Spec. 1:13-16). It provides the benefit of eliminating the need for the driver to take eyes off the road to look for speed limit signs and to resolve any confusion that might exist as to what is the current legal speed limit. (Spec. 1:22-25).

Figure 1 illustrates the specifically disclosed embodiment:

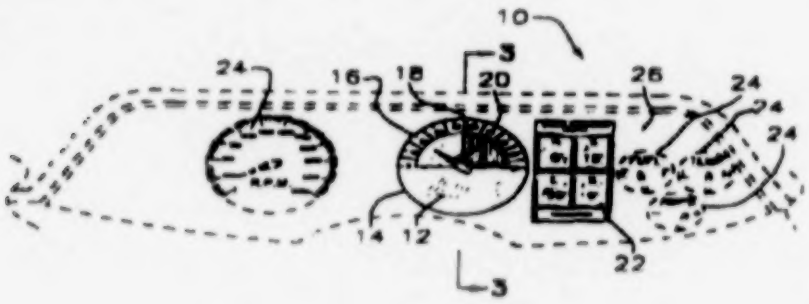


FIG. 1

Figure 1 illustrates a specifically disclosed embodiment

Speedometer 12 is mounted on dashboard 26. (Spec. 5:8-9). Speedometer 12 has a backplate 14 made of plastic, speed denoting markings 16 painted on backplate 14, a colored display 18 made of red plastic filter, and a plastic needle 20 rotatably mounted in the center of backplate 14. (Spec. 8-11). A global positioning receiver 22 is positioned adjacent to speedometer 12 and other gauges typically present on a vehicle dashboard 26 are included. (Spec. 5:13-15).

Referring to a flowchart provided in Figure 2 with numerical references to individual steps and not individual parts, the specification of the '074 Patent describes operation of the speed limit indicator as follows (Spec. 5:25-39):

> Uploading unit 38 uploads current data to a regional speed limit database 40. The global positioning system receiver 42 tracks the vehicle's location and speed, and identifies the relevant speed limit from the database for that location. The global positioning system receiver compares

> the vehicle's speed and the relevant speed limit 44, and uses a tone generator 46 to generate a tone in the event that the vehicle's speed exceeds the relevant speed limit. The speed limit information is sent from the global positioning system receiver to a filter control unit 48. **The control unit adjusts the color filter so that the speeds above the legal speed limit are displayed in red 50 while the legal speeds are displayed in white 52. This is accomplished by the control unit rotating the red filter disc 54 to the appropriate degree.** (Emphasis added.)

Claims 1 and 10 are the only independent claims. Claim 1 is reproduced below:

> 1. A speed limit indicator comprising:
>
> a colored display to delineate which speed readings are in violation of the speed limit at a vehicle's current location;
>
> a speedometer **integrally attached** to said colored display; and
>
> a display controller connected to said colored display, wherein said display controller adjusts said colored display independently of said speedometer to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location. (Emphasis added.)

Claim 1 requires that the speedometer be "integrally attached" to the colored display. Claim 10 is the same, as it also recites: "a speedometer integrally attached to said colored display."

Claim 20 is reproduced below:

> 20. A method of determining speed, the relevant speed limit, and displaying same, which comprises the steps of:
>
> uploading current information to regional speed limit database;
>
> determining vehicle location and speed;
>
> obtaining speed limit for said vehicle location from said database;
>
> comparing vehicle speed to said speed limit;
>
> generating tone if said vehicle speed exceeds said speed limit;
>
> sending speed limit to display control unit; and
>
> modifying **the limit indicator as defined in claim 1** to reflect which speeds are below said speed limit and which speeds exceed said speed limit. (Emphasis added.)

In its last clause, claim 20 specifically refers to the structure of the speed limit indicator of claim 1. Thus, claim 20 is dependent on claim 1 and also includes the limitation that the speedometer is integrally attached to the colored display. Petitioner has not taken any contrary position in the Petition.

Petitioner does not make known its construction of "integrally attached." Instead, Petitioner states that the term has to mean, in this proceeding, what the Patent Owner asserts it means in the infringement suits the Patent owner has filed against various parties in-

cluding Petitioner. That argument is without merit. The meaning of claim terms is not governed by what the Patent Owner says they mean in filing an infringement suit based on the '074 Patent. There is no reason to assume that the Patent Owner's litigation position is correct. Litigation positions taken subsequent to issuance of the patent are unreliable. *See Phillips v. AWH Corp.*, 415 F.3d at 1318. In any event, the Petition itself does not disclose or discuss the Patent Owner's position and Petitioner even states that the Patent Owner's litigation position in the infringement suits is not necessarily correct. (Petition 18: n.1).

On this record, we construe "integrally attached" as applied to the colored display and the speedometer in the context of the disclosure of the '074 Patent as meaning that the two elements are discrete parts physically joined together as a unit without each part losing its own separate identity. In the combined unit, the colored display is still the colored display and the speedometer is still the speedometer; each retains its own separate identity. The specification of the '074 Patent discloses that colored display 18 is a separate item from backplate 14 and from speed denoting marking 16 on backplate 14. ('074 Patent 5:9-12). Claim 1 even expressly recites that the display controller adjusts the colored display independently of the speedometer. In that connection, we note further that Patent Owner's amendment in the prosecution history of the '074 Patent, dated January 9, 2004, states (Ex. 1013 7:23-25):

> Support for the amendment to specify that the speedometer is integrally attached to the colored display is found in the specification at p.7, lines 28-30, p.8, lines 21-23, and in Fig. 1, 3, and 4.

The above-quoted portions of the specification describe speedometer backplate 14 and speed denoting markings 16 painted on backplate 14 as separate and discrete elements from the colored display 18. Petitioner has not presented a reasonable basis to broaden out the interpretation of "integrally attached" to cover the case of a single electronic display that itself operates both as a speedometer and a colored display. The Patent Owner relied on separate components as providing written description support for the term.

Aumayer

Aumayer discloses a method for displaying vehicle speed. (Abstract:1-2). Also, the speed limit at the current location may be displayed on a speed scale by highlighting a scale mark or producing a scale mark of a different length or color. (Abstract:9-12). The current location of the vehicle is determined by use of a GPS locating device. (Aumayer 4:41-45). The speed limit at the current location of the vehicle is retrieved from a data storage media according to the determined current location. (Abstract:13-15; Aumayer 4:45-53). Aumayer also describes (Aumayer 7:34-37):

> The display device 211 comprises a display controller and a display medium, for example a display screen provided by **a liquid crystal display device, a plasma screen or a cathode ray tube.** (Emphasis added.)

Figure 2d of Aumayer is reproduced below, which illustrates an electronic display according to practicing Aumayer's disclosed method:

FIG. 2d

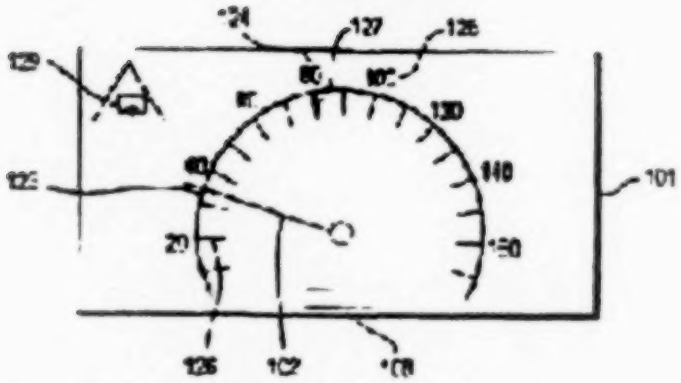


Figure 2d shows a display according to Aumayer's method

With respect to Figure 2d, Aumayer describes that the determined speed limit of 80 km/hr for the vehicle's current location is shown by the speed scale value 124 and speed scale mark 127 at the speed limit, both of which are highlighted or emphasized such as by use of color different from that used for the remainder of the display device, by enlargement, and/or by widening, on the electronic display. (Aumayer 6:21-27). Aumayer expressly states that the speed limit is highlighted or emphasized by the scale mark 127. (Aumayer 6:33-35).

Aumayer further states that "it is also possible to use a commercial combined apparatus with mechanical display elements for the display device 211." (Aumayer 7:42-44). Specific details of that mechanical embodiment are not described. However, Aumayer states that for example, "a speed limit can be made visible by background lighting in a different color at the scale mark associated with the corresponding speed limit." (Aumayer 7:48-51).

Tegethoff

Tegethoff discloses an image display system for use on a vehicle, which includes an image screen and an image generating computer. (Tegethoff 4:2:16-18). The image displayed on the screen mimics that of analog mechanical pointer instruments, and in their outer image form cannot be distinguished from purely mechanical devices. (Tegethoff 4:2:34-40). Figure 2 of Tegethoff is reproduced below, which illustrates an image of a speedometer and other useful information (Tegethoff 5:2:30-32):

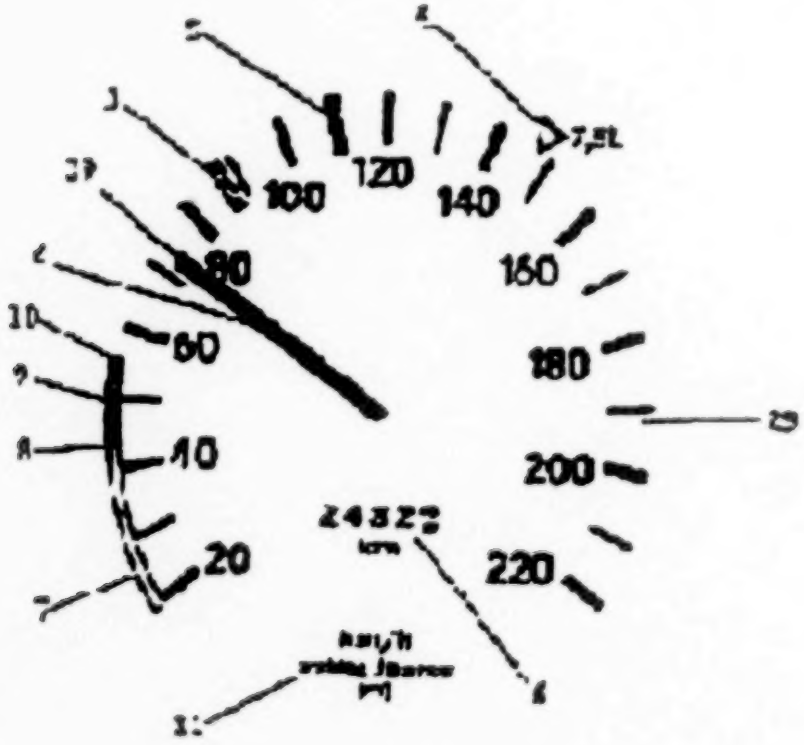


Figure 2 shows an embodiment of Tegethoff's image display

On the image shown above is displayed a mark 5 for indicating a currently permissible maximum speed for the road section where the vehicle is currently located. (Tegethoff 6:1:9-12). According to Tegethoff, that speed limit can be set according to an element for navigation and a database. (Tegethoff 6:1:13-15). Tegethoff describes that the critical markings such as that showing the speed limit can be colored red. (Tegethoff 7:1:38-45).

Tokunaga

Tokunaga discloses a lighting unit capable of varying the luminescence and color of illumination with respect to a target to be lit thereby to provide an effective display of the target, and capable of itself serving as a display unit. (Abstract 1-5). Tokunaga discloses two embodiments of the lighting unit, one shown in Figure 1 and one shown in Figure 3:

FIG. 1

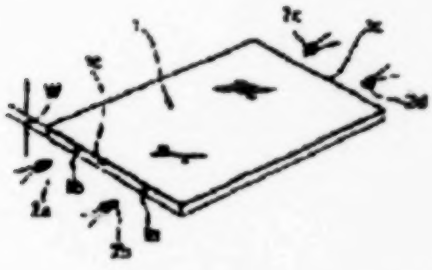
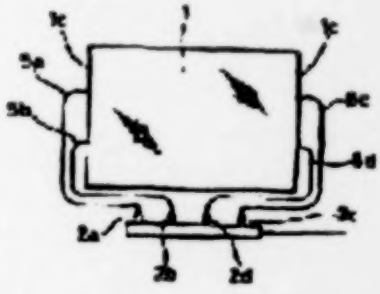


FIG. 3



Figures 1 and 3 illustrate separate embodiments of a lighting unit

In both embodiments, there is a light guide plate 1. In the Figure 1 embodiment, LEDs 2a-2d are directly fitted to the side edges of the light guide plate, and in the Figure 3 embodiment, LEDs 2a-2d are indirectly provided to the side edges of the light guide plate 1

through optical transmission media such as optical fibers 5a-5d. (Tokunaga 2:12-22). The light guide plate 1 is suitable for use as a backlight for a liquid crystal display panel on a portable electronic device. (Tokunaga 2:37-41). Figure 2 shows the light guide plate 1 disposed next to a liquid crystal display panel:

FIG. 2

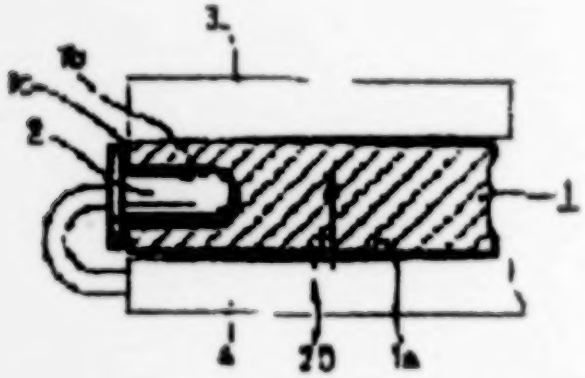


Figure 2 illustrates a partial sectional view of light guide plate 1

Tokunaga describes that a liquid crystal display panel 3 is disposed on top of the light guide plate 1 so as to permit the content of the liquid crystal display to be irradiated with light sent from the light guide plate 1, and that under the light guide plate 1 there is an electronic circuit board 4 for operating the liquid crystal display panel. (Tokunaga 2:66 to 3:5). Tokunaga describes that the lighting unit can be used to illuminate the liquid crystal display panel of a portable electronic game machine such as GAME BOY®. (Tokunaga 3:54-59). Tokunaga also describes that the liquid crystal display panel of the game machine is operated according to image signals from an operation circuit and the light guide plate 1 is incorporated

into the game machine to illuminate the liquid crystal display. (Tokunaga 3:63-68).

Tokunaga does not, however, describe specifically how the light guide plate 1 is put in position relative to liquid crystal display panel 3 or electronic circuit board 4. It is known only that the light guide plate 1 is incorporated into the overall game machine, that the liquid crystal display is disposed on one side, and that the electronic circuit board is disposed on the opposing side as shown in Figure 2.

Tokunaga further states that although the description of the lighting unit provided in the disclosure is made by way of example in the context of a game machine, it would be obvious to those of ordinary skill in the art that the lighting unit has other applications such as illuminating the display surfaces of a vehicle speedometer. (Tokunaga 4:62-67). However, the statement of potential application elsewhere is only general and Tokunaga does not describe any specific structural implementation of the application of the lighting unit to a vehicle speedometer. Tokunaga does state that in the case of application to a vehicle speedometer, the color of the display light for the speedometer can be changed from blue to red if the vehicle speed exceeds a legal speed limit. (Tokunaga 5:1-5). But it does not describe that the "legal speed limit" it refers to is one associated specifically to the current location of the vehicle.

A. The alleged grounds based in whole or in part on Aumayer

Each of independent claims 1 and 10 requires that the speedometer be "integrally attached" to the colored display. According to the petitioner, a single liq-

uid crystal display screen such as that of Aumayer's display device 211, which displays the image of both the speedometer and the colored scale mark 107 showing the speed limit, satisfies the claim requirement of an integral attachment between a speedometer and a colored display. (Petition 18:1-4).

For reasons already discussed above, on this record we construe "integrally attached" differently from the Petitioner. The single electronic display screen of Aumayer showing both the image of a speedometer and a colored scale mark indicating the current speed limit does not meet the claim recitation "integrally attached" as applied to a speedometer and a colored display. There, the speedometer and the colored display are not discrete and separately recognizable parts that are "integrally attached" to each other. Rather, the liquid crystal display screen is itself a single component which performs the function of both the speedometer and colored display.

We recognized already that Aumayer states that "it is also possible to use a commercial combined apparatus with mechanical display elements for the display device 211." (Aumayer 7:42-44). We also already recognized that Aumayer states that "a speed limit can be made visible by background lighting in a different color at the scale mark associated with the corresponding speed limit." (Aumayer 7:48-51). None of that disclosure indicates that a colored display is necessarily integrally attached to the speedometer. No specific embodiment of a combined apparatus with mechanical display elements is described in sufficient detail. Even Petitioner has not explained how such general disclosure meets the requirement of "integrally attached" between the speedometer and the colored display.

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently, in a single prior art reference *Verdegaal Bros., Inc. v. Union Oil Co. of Cal.*, 814 F.2d 628, 631 (Fed. Cir. 1987).

Claims 2, 6-13, and 18-20 each depend directly or indirectly from either claim 1 or claim 10. Because Aumayer fails to disclose the "integrally attached" element of claims 1 and 10 as applied to the speedometer and the colored display, there is not a reasonable likelihood that the Petitioner would prevail on its assertion that claims 1, 2, 6-13, and 18-20 are anticipated by Aumayer under 35 U.S.C. § 102(e).

The above-noted deficiency of Aumayer with respect to independent claim 1 undermines Petitioner's assertion of obviousness of claims 4 and 5 over Aumayer and Evans under 35 U.S.C. § 103. Claim 4 depends on claim 1 and claim 5 depends on claim 4. Claims 4 and 5 recite the specific mechanical structure of a speedometer, such as a needle, an axle, and a cable (claim 4), and a backplate and a housing (claim 5). As applied by Petitioner to claims 4 and 5, Evans discloses all of those elements but does not cure the above-noted deficiency of Aumayer discussed in the context of independent claim 1 with regard to a colored display being "integrally attached" to the speedometer. There is not a reasonable likelihood that the petitioner would prevail on its assertion that claims 4 and 5 would have been obvious over Aumayer and Evans under 35 U.S.C. § 103.

Petitioner also asserts that claims 3 and 14-16 would have been obvious over Aumayer and Evans, and that claim 17 would have been obvious over Aumayer, Evans, and Wendt, under 35 U.S.C. § 103.

As applied by Petitioner to claims 3 and 14-16, Evans does seemingly disclose what Aumayer does not disclose, *i.e.*, a colored display which is "integrally attached" to the speedometer. However, the above-noted deficiency of Aumayer is not cured by Petitioner's reliance on Evans because Petitioner has not articulated a credible rationale for combining the teachings of Aumayer and Evans to arrive at the claimed invention.

Aumayer discloses an embodiment including each of the recited elements of independent claims 1 and 10 of the '074 Patent, except for the requirement that the speedometer and the colored display are "integrally attached." Claim 3 depends on claim 1 and recites that the colored display is a colored filter. Claim 14 depends on claim 10 and also recites that the colored display is a colored filter. Claim 15 depends on claim 14 and claim 16 depends on claim 15.

Evans discloses a combined vehicle speedometer and speed warning indicator. (Evans 1:68 to 2:23). The speed warning indicator is installed on the speedometer cover. (Evans 2:16-17). It comprises a transparent plate attached to the transparent front cover of the speedometer. (Evans 2:1-3). Evans describes the speed warning indicator as follows (Evans 2:3-8):

> The plate bears warning indicia, for example, a **special color** and/or a plurality of marks, spaces, ridges, etc. so that when the speedometer dial is viewed through it, a portion of the dial representing speeds in excess of a predetermined limit are demarked by the warning indicia. (Emphasis added.)

Evans describes that a driver can tell what speeds are under or in excess of the speed limit by making a swift reference to the speedometer through the indicator and see whether the speedometer needle is in or out of the warning area on the indicator plate. (Evans 2:9-13). Evans further describes that the indicator plate can be made adjustable for changes in the speed limit. (Evans 2:18-19). As shown in Figure 3, the red colored plate 12 is positioned on speed dial 30 so that only the portion of the dial which contains numbers representing speeds in excess of the speed limit is overlaid by the plate:

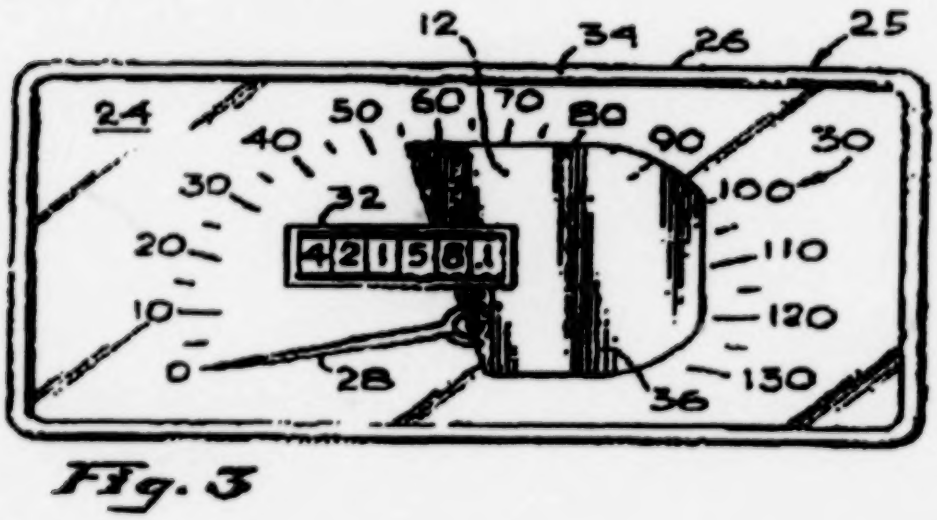


Fig. 3

Figure 3 illustrates a front elevation view of the combined speedometer and speed warning indicator

The colored filter plate 12 of Evans is a fixed structure integrally attached to the speedometer. However, although the plate may be removed and replaced, in its operational state it is a fixed, non-moveable, and non-adjustable structure. In that connection, Evans states (Evans 3:37-44):

> It will be understood that plate 12 can, if desired, be removed from cover 24 and either another sim-

> ilar plate of different configuration can be substituted or plate 12 can be recut and repositioned or merely repositioned on cover 24 so as to extend over another range of speed numbers on dial 30. For example this would be desirable in the event that the 55 mph current speed limit were abolished.

With regard to claims 3 and 14-16, Petitioner has not explained why one with ordinary skill in the art would have chosen to use the fixed and immovable colored plate 12 of Evans in combination with the dynamic display system of Aumayer which provides the benefits of a continuously controlled and updated colored display to indicate the applicable speed limit for the vehicle at its current location.

Accordingly, there is not a reasonable likelihood that the petitioner would prevail on its assertion that claims 3 and 14-16 would have been obvious over Aumayer and Evans under 35 U.S.C. § 103.

Claim 17 depends on claim 14, and states that the display controller rotates the colored filter independently of the speedometer to continuously update the delineation of which speed readings are in violation of the speed limit at a vehicle's present location. For claim 17, Petitioner relies on Wendt in combination with Aumayer and Evans. Wendt and Evans in combination seemingly cures the above-noted deficiency of Aumayer with regard to independent claim 10 and of Aumayer and Evans with regard to claim 14. That is because Wendt teaches the desirability of a rotatably moveable structure to indicate the speed limit.

The combined teachings of Aumayer, Evans, and Wendt appears to account for all the features of claim 17. Accordingly, there is a reasonable likelihood that the petitioner would prevail on its assertion that 17 would have been obvious over Aumayer, Evans, and Wendt under 35 U.S.C. § 103.

Because claim 17 depends on claim 14 which depends on claim 10, and because dependent claims include all of the features of the claims on which they depend, Petitioner also has shown a reasonable likelihood that it would prevail on demonstrating that claims 10 and 14 would have been obvious over the combined teachings of Aumayer, Evans, and Wendt. We recognize that Petitioner did not specifically articulate a ground of unpatentability against claims 10 and 14 based on Aumayer, Evans, and Wendt. However, we exercise discretion to recognize that the assertion was implicitly made by Petitioner's alleging that claim 17 would have been obvious over Aumayer, Evans, and Wendt.

For claims 1-9, 11-13, 15, 16, and 18-20, we have not considered the ground of obviousness under 35 U.S.C. § 103, based on the combined teachings of Aumayer, Evans, and Wendt, and take no position in that regard. In this petition, that ground of obviousness has not been asserted by Petitioner against those claims, either expressly or by implication.

B. The alleged grounds based in whole or in part on Tegethoff

Each of independent claims 1 and 10 requires that the speedometer be "integrally attached" to the colored display. Tegethoff shares the same deficiency in that regard with Aumayer as discussed above. Ac-

cording to the Petitioner, a single digital electronic display screen 37 that displays the image of both the speedometer and the colored tick mark 5 showing the speed limit satisfies the claim requirement of an integral attachment between a speedometer and a colored display. (Petition 22:1-4).

For reasons already discussed above, on this record we construe "integrally attached" differently from the Petitioner. The single digital electronic display screen 37 of Tegethoff displaying both the image of a speedometer and a colored tick mark 5 indicating the current speed limit does not meet the claim recitation "integrally attached" as applied to a speedometer and a colored display. There, the speedometer and the colored display are not discrete and separately recognizable parts that are "integrally attached" to each other. Rather, the screen performs the function of both the speedometer and colored display.

Claims 2, 6, and 7 each depend directly from claim 1. Because Tegethoff fails to disclose the "integrally attached" element of claim 1 as applied to the speedometer and the colored display, there is not a reasonable likelihood that the Petitioner would prevail on its assertion that claims 1, 2, 6, and 7 are anticipated by Tegethoff under 35 U.S.C. § 102(b).

The above-noted deficiency of Tegethoff with respect to independent claim 1 undermines Petitioner's assertion of obviousness of claims 4 and 5 over Tegethoff and Evans under 35 U.S.C. § 103. Claim 4 depends on claim 1 and claim 5 depends on claim 4. Claims 4 and 5 recite the specific mechanical structure of a speedometer, such as a needle, an axle, and a cable (claim 4), and a backplate and a housing (claim 5). As applied by Petitioner to claims 4 and 5, Evans

discloses all of those elements but does not cure the above-noted deficiency of Tegethoff discussed in the context of independent claim 1 with regard to a colored display being "integrally attached" to the speedometer. There is not a reasonable likelihood that Petitioner would prevail on its assertion that claims 4 and 5 would have been obvious over Tegethoff and Evans under 35 U.S.C. § 103.

Petitioner also asserts that claim 3 would have been obvious over Tegethoff and Evans under 35 U.S.C. § 103. As applied by Petitioner to claim 3, Evans does disclose what Aumayer does not disclose, *i.e.*, a colored display which is "integrally attached" to the speedometer. However, the above-noted deficiency of Tegethoff is not cured by reliance on Evans because Petitioner has not articulated a credible rationale for combining the teachings of Tegethoff and Evans to arrive at the claimed invention. The deficiency is the same as that discussed above on the lack of sufficient basis to combine the teachings of Evans and Aumayer. We note again that the color filter of Evans is fixed and immoveable. Tegethoff requires a colored display that is variable in position to reflect the current speed limit at the current location of the vehicle. Accordingly, there is not a reasonable likelihood that the Petitioner would prevail on its assertion that claim 3 would have been obvious over Tegethoff and Evans under 35 U.S.C. § 103.

As is the case with claim 1, with respect to claim 10 Tegethoff does not disclose the limitation of a speedometer integrally attached to a colored display. Petitioner's reliance on Awada in combination with Tegethoff does not cure that deficiency. Awada is relied on by the Petitioner in connection with claim 10 as teaching the use of a global positioning system con-

nected to a display controller for providing signals for continuously updating the delineation of which speed readings are in violation of the speed limit at the vehicle's current location.

Claims 8, 9, and 20 each depend directly or indirectly on claim 1. Claims 11-13, 18, and 19 each depend directly or indirectly on claim 10. Petitioner relies on Awada in combination with Tegethoff as teaching the specific features added by these dependent claims. However, as applied by the Petitioner, Awada does not cure the deficiency of Tegethoff with respect to the limitation in independent claims 1 and 10 that the speedometer is integrally attached to the colored display. Thus, there is not a reasonable likelihood that the Petitioner would prevail on its assertion that claims 8-13, and 18-20 would have been obvious over Tegethoff and Awada under 35 U.S.C. § 103.

Claim 14 depends on claim 10 and recites that the colored display is a colored filter. Claim 15 depends on claim 14 and claim 16 depends on claim 15.

For claims 14-16, Petitioner relies on Evans as teaching the use of a colored filter that is attached to a speedometer. However, as is the case with Petitioner's attempted combination of Aumayer and Evans, already discussed above, Petitioner has not articulated a credible rationale to make the purported combination of Tegethoff and Evans. The colored filter of Evans is fixed and immoveable during operation. Tegethoff, on the other hand, requires a colored display that can be variably adjusted while the vehicle is in motion, to match the applicable speed limit for the current location of the vehicle. Accordingly, there is not a reasonable likelihood that the Petitioner would prevail on its assertion that claims 14-16 would have

been obvious over Tegethoff, Awada, and Evans under 35 U.S.C. § 103.

Claim 17 depends on claim 14 and adds that the display controller rotates the colored filter independently of the speedometer to continuously update the delineation of which speed readings are in violation of the speed limit at the vehicle's present location. For claim 17, Petitioner relies on Wendt in combination with Tegethoff, Awada, and Evans. Wendt and Evans together in combination with Tegethoff and Awada seemingly cures the above-noted deficiency of Tegethoff and Awada with regard to independent claim 10, and of Tegethoff, Awada, and Evans with respect to claim 14. That is because Wendt teaches the desirability of a rotatably moveable structure to indicate the speed limit.

The combined teachings of Tegethoff, Awada, Evans, and Wendt appears to account for all of the features of claim 17. Accordingly, there is a reasonable likelihood that Petitioner would prevail on its assertion that claim 17 would have been obvious over Tegethoff, Awada, Evans, and Wendt under 35 U.S.C. § 103.

Because claim 17 depends on claim 14 which depends on claim 10, and because dependent claims include all of the features of the claims on which they depend, Petitioner also has shown a reasonable likelihood that it would prevail on demonstrating that claims 10 and 14 would have been obvious over the combined teachings of Tegethoff, Awada, Evans, and Wendt. We recognize that Petitioner did not specifically articulate a ground of unpatentability against claims 10 and 14 based on Tegethoff, Awada, Evans, and Wendt. However, we exercise discretion to rec-

ognize that the assertion was implicitly made by Petitioner's alleging that claim 17 would have been obvious over Tegethoff, Awada, Evans, and Wendt.

For claims 1-9, 11-13, 15, 16, and 18-20, we have not considered the ground of obviousness under 35 U.S.C. § 103, based on the combined teachings of Tegethoff, Awada, Evans, and Wendt, and take no position in that regard. In this petition, that ground of obviousness has not been asserted by Petitioner against those claims, either expressly or by implication.

C. The alleged grounds based in whole or in part on Tokunaga

According to Petitioner, Tokunaga discloses each and every element of independent claim 1. There are two problems with that assertion.

The first still relates to that same limitation which undermines the anticipation assertion based on Aumayer and on Tegethoff, *i.e.*, that the speedometer is "integrally connected" to the colored display. Petitioner points out that Tokunaga discloses that its lighting unit is incorporated into the game machine so as to illuminate the liquid crystal display, and that in lieu of the gaming device the lighting unit has other applications, for example, for providing illumination to the surface of a vehicle speedometer. (Petition 23:16-21). On that basis alone, Petitioner concludes that the "integrally connected" limitation is met. We disagree.

Tokunaga provides no specific description of how the lighting unit would be attached to the display surface of a vehicle speedometer or if it is even attached. And even in the context of a game machine, Tokunaga

describes that liquid crystal display panel 3 is disposed on top of the light guide plate 1 to permit the content of the liquid crystal display to be irradiated with light sent from the light guide plate 1, and that under the light guide plate 1 there is an electronic circuit board 4 for operating the liquid crystal display panel. (Tokunaga 2:66 to 3:5). That is not a specific description of how the light guide plate 1 is put in position relative to liquid crystal display panel 3. It is known only that light guide plate 1 is incorporated into the overall game machine, that the liquid crystal display 3 is disposed on one side of the light guide plate 1 and the electronic circuit board is disposed on the opposing side as shown in Figure 2.

Secondly, claim 1 requires a colored display to delineate which speed readings are in violation of "the speed limit at a vehicle's current location." Tokunaga does state that in the case of application to a vehicle speedometer, the color of the display light for the speedometer can be changed from blue to red if the vehicle speed exceeds a legal speed limit. (Tokunaga 5:1-5). But it does not describe that the legal speed limit it refers to is associated specifically with the current location of the vehicle. Petitioner has pointed to no description that the referenced speed limit is location-based.

Accordingly, there is a not reasonable likelihood that Petitioner would prevail on its assertion that claim 1 is anticipated by Tokunaga under 35 U.S.C. § 102(b).

As compared to claim 1, independent claim 10 adds the requirement of a global positioning system receiver which outputs signals to the display controller which adjusts the display to continuously update the

delineation of which speed readings are in violation of the speed limit at the vehicle's current position. For that limitation, Petitioner relies on the teachings of Hamamura, in combination with that of Tokunaga. However, reliance on Hamamura does not cure the above-noted deficiency of Tokunaga with regard to the "integrally attached" requirement for the speedometer and the colored display.

Because it depends on claim 1, claim 20 also includes the requirement that the speedometer is "integrally connected" to the colored display. As noted above, however, with respect to that limitation, Petitioner's reliance on Hamamura does not cure the deficiency of Tokunaga.

In any event, Petitioner's reliance on Hamamura to account for the limitation of continuous updating the delineation of which speed readings are in violation of the speed limit at the vehicle's current location is misplaced because Petitioner's analysis of Hamamura equates "safe speed" at a location with the speed limit at that location. In the context of Hamamura, that is clearly not the case. Hamamura discloses determining a safe speed for a vehicle location based on the speed limit for that location, road shape "and the like" of each road. (Hamamura 3:[0008]). Hamamura discloses displaying the "safe speed" at the vehicle's current location (Hamamura 1:[Constitution]:3-4) and states that the legal speed limit of a road on which the vehicle is currently running may not agree with a speed at which the vehicle can actually run safely. (Hamamura 3:[0004]:12-14).

There is a not reasonable likelihood that Petitioner would prevail on its assertion that claims 10 and 20

would have been obvious over Tokunaga and Hamamura under 35 U.S.C. § 103.

CONCLUSION

Petitioner has demonstrated a reasonable likelihood of prevailing on its challenge of claims 10, 14, and 17 of the '074 Patent as obvious under 35 U.S.C. § 103 (1) over Aumayer, Evans, and Wendt, and (2) over Tegethoff, Awada, Evans, and Wendt.

Petitioner has not demonstrated a reasonable likelihood of prevailing on its challenge of any other claim on any ground.

Order

It is

ORDERED that the Petition is *denied* as to claims 1, 2, 6, 7, 8, 9, 10, 11, 12, 13, and 18-20 of the '074 patent on the alleged ground of anticipation by Aumayer under 35 U.S.C. § 102(e);

FURTHER ORDERED that the Petition is *denied* as to claims 1, 2, 6, and 7 of the '074 patent on the alleged ground of anticipation by Tegethoff under 35 U.S.C. § 102(b);

FURTHER ORDERED that the Petition is *denied* as to claim 1 of the '074 patent on the alleged ground of anticipation by Tokunaga under 35 U.S.C. § 102(b);

FURTHER ORDERED that the Petition is *denied* as to claims 3-5 and 14-16 of the '074 patent on the alleged ground of obviousness over Aumayer and Evans under 35 U.S.C. § 103;

FURTHER ORDERED that the Petition is *granted* as to claims 10, 14, and 17 of the '074 patent on the alleged ground of obviousness over Aumayer, Evans, and Wendt under 35 U.S.C. § 103;

FURTHER ORDERED that the Petition is *denied* as to claims 3-5 on the alleged ground of obviousness over Tegethoff and Evans under 35 U.S.C. § 103;

FURTHER ORDERED that the Petition is *denied* as to claims 8-13 and 18-20 on the alleged ground of obviousness over Tegethoff and Awada under 35 U.S.C. § 103;

FURTHER ORDERED that the Petition is *denied* as to claims 14, 15, and 16 on the alleged ground of obviousness over Tegethoff, Awada, and Evans under 35 U.S.C. § 103;

FURTHER ORDERED that the Petition is *granted* as to claims 10, 14, and 17 on the alleged basis of obviousness over Tegethoff, Awada, Evans, and Wendt under 35 U.S.C. § 103;

FURTHER ORDERED that the Petition is *denied* as to claims 10 and 20 on the alleged ground of obviousness over Tokunaga and Hamamura under 35 U.S.C. § 103;

FURTHER ORDERED that pursuant to 35 U.S.C. § 314(a), a trial for inter partes review of the '074 patent is hereby instituted, commencing on the entry date of this Order, and pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of trial;

FURTHER ORDERED that the trial is limited to the two above-stated grounds of obviousness directed

to claims 10, 14, and 17, and that no other ground for any claim is authorized for trial; and

FURTHER ORDERED that an initial conference call with the Board is scheduled for **1 PM EST on January 23, 2013**; the parties are directed to the Office Trial Practice Guide, 77 Fed. Reg. 48756, 48765-66 (Aug. 14, 2012) for guidance in preparing for the initial conference call, and should come prepared to discuss any proposed changes to the Scheduling Order entered herewith and any motions the parties anticipate filing during the trial.

APPENDIX G

RELEVANT STATUTORY AND REGULATORY PROVISIONS

* * * * *

1. 35 U.S.C. 6 provides:

§ 6. Patent Trial and Appeal Board

(a) IN GENERAL.—There shall be in the Office a Patent Trial and Appeal Board. The Director, the Deputy Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges shall constitute the Patent Trial and Appeal Board. The administrative patent judges shall be persons of competent legal knowledge and scientific ability who are appointed by the Secretary, in consultation with the Director. Any reference in any Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Board of Patent Appeals and Interferences is deemed to refer to the Patent Trial and Appeal Board.

(b) DUTIES.—The Patent Trial and Appeal Board shall—

(1) on written appeal of an applicant, review adverse decisions of examiners upon applications for patents pursuant to section 134(a);

(2) review appeals of reexaminations pursuant to section 134(b);

(3) conduct derivation proceedings pursuant to section 135; and

(4) conduct inter partes reviews and post-grant reviews pursuant to chapters 31 and 32.

(c) 3-MEMBER PANELS.—Each appeal, derivation proceeding, post-grant review, and inter partes review shall be heard by at least 3 members of the Patent Trial and Appeal Board, who shall be designated by the Director. Only the Patent Trial and Appeal Board may grant rehearings.

(d) TREATMENT OF PRIOR APPOINTMENTS.—The Secretary of Commerce may, in the Secretary's discretion, deem the appointment of an administrative patent judge who, before the date of the enactment of this subsection, held office pursuant to an appointment by the Director to take effect on the date on which the Director initially appointed the administrative patent judge. It shall be a defense to a challenge to the appointment of an administrative patent judge on the basis of the judge's having been originally appointed by the Director that the administrative patent judge so appointed was acting as a de facto officer.

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2. 35 U.S.C. 134 provides:

§ 134. Appeal to the Patent Trial and Appeal Board

(a) PATENT APPLICANT.—An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

(b) PATENT OWNER.—A patent owner in a reexamination may appeal from the final rejection of

any claim by the primary examiner to the Patent Trial and Appeal Board, having once paid the fee for such appeal.

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3. 35 U.S.C. 141 provides:

§ 141. Appeal to Court of Appeals for the Federal Circuit

(a) EXAMINATIONS.—An applicant who is dissatisfied with the final decision in an appeal to the Patent Trial and Appeal Board under section 134(a) may appeal the Board's decision to the United States Court of Appeals for the Federal Circuit. By filing such an appeal, the applicant waives his or her right to proceed under section 145.

(b) REEXAMINATIONS.—A patent owner who is dissatisfied with the final decision in an appeal of a reexamination to the Patent Trial and Appeal Board under section 134(b) may appeal the Board's decision only to the United States Court of Appeals for the Federal Circuit.

(c) POST-GRANT AND INTER PARTES REVIEWS.—A party to an inter partes review or a post-grant review who is dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 318(a) or 328(a) (as the case may be) may appeal the Board's decision only to the United States Court of Appeals for the Federal Circuit.

(d) DERIVATION PROCEEDINGS.—A party to a derivation proceeding who is dissatisfied with the final decision of the Patent Trial and Appeal Board in the proceeding may appeal the decision to the United

States Court of Appeals for the Federal Circuit, but such appeal shall be dismissed if any adverse party to such derivation proceeding, within 20 days after the appellant has filed notice of appeal in accordance with section 142, files notice with the Director that the party elects to have all further proceedings conducted as provided in section 146. If the appellant does not, within 30 days after the filing of such notice by the adverse party, file a civil action under section 146, the Board's decision shall govern the further proceedings in the case.

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4. 35 U.S.C. 257 provides:

§ 257. Supplemental examinations to consider, reconsider, or correct information

(a) REQUEST FOR SUPPLEMENTAL EXAMINATION.—A patent owner may request supplemental examination of a patent in the Office to consider, reconsider, or correct information believed to be relevant to the patent, in accordance with such requirements as the Director may establish. Within 3 months after the date a request for supplemental examination meeting the requirements of this section is received, the Director shall conduct the supplemental examination and shall conclude such examination by issuing a certificate indicating whether the information presented in the request raises a substantial new question of patentability.

(b) REEXAMINATION ORDERED.—If the certificate issued under subsection (a) indicates that a substantial new question of patentability is raised by 1 or more items of information in the request, the Director

shall order reexamination of the patent. The reexamination shall be conducted according to procedures established by chapter 30, except that the patent owner shall not have the right to file a statement pursuant to section 304. During the reexamination, the Director shall address each substantial new question of patentability identified during the supplemental examination, notwithstanding the limitations in chapter 30 relating to patents and printed publication or any other provision of such chapter.

(c) EFFECT.—

(1) IN GENERAL.—A patent shall not be held unenforceable on the basis of conduct relating to information that had not been considered, was inadequately considered, or was incorrect in a prior examination of the patent if the information was considered, reconsidered, or corrected during a supplemental examination of the patent. The making of a request under subsection (a), or the absence thereof, shall not be relevant to enforceability of the patent under section 282.

(2) EXCEPTIONS.—

(A) PRIOR ALLEGATIONS.—
Paragraph (1) shall not apply to an allegation pled with particularity in a civil action, or set forth with particularity in a notice received by the patent owner under section 505(j)(2)(B)(iv)(II) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(2)(B)(iv)(II)), before the date of a supplemental examination request under subsection (a) to consider, reconsider, or

correct information forming the basis for the allegation.

(B) PATENT ENFORCEMENT ACTIONS.—In an action brought under section 337(a) of the Tariff Act of 1930 (19 U.S.C. 1337(a)), or section 281, paragraph (1) shall not apply to any defense raised in the action that is based upon information that was considered, reconsidered, or corrected pursuant to a supplemental examination request under subsection (a), unless the supplemental examination, and any reexamination ordered pursuant to the request, are concluded before the date on which the action is brought.

(d) FEES AND REGULATIONS.—

(1) FEES.—The Director shall, by regulation, establish fees for the submission of a request for supplemental examination of a patent, and to consider each item of information submitted in the request. If reexamination is ordered under subsection (b), fees established and applicable to ex parte reexamination proceedings under chapter 30 shall be paid, in addition to fees applicable to supplemental examination.

(2) REGULATIONS.—The Director shall issue regulations governing the form, content, and other requirements of requests for supplemental examination, and establishing procedures for reviewing information submitted in such requests.

(e) FRAUD.—If the Director becomes aware, during the course of a supplemental examination or

reexamination proceeding ordered under this section, that a material fraud on the Office may have been committed in connection with the patent that is the subject of the supplemental examination, then in addition to any other actions the Director is authorized to take, including the cancellation of any claims found to be invalid under section 307 as a result of a reexamination ordered under this section, the Director shall also refer the matter to the Attorney General for such further action as the Attorney General may deem appropriate. Any such referral shall be treated as confidential, shall not be included in the file of the patent, and shall not be disclosed to the public unless the United States charges a person with a criminal offense in connection with such referral.

(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

(1) to preclude the imposition of sanctions based upon criminal or antitrust laws (including section 1001(a) of title 18, the first section of the Clayton Act, and section 5 of the Federal Trade Commission Act to the extent that section relates to unfair methods of competition);

(2) to limit the authority of the Director to investigate issues of possible misconduct and impose sanctions for misconduct in connection with matters or proceedings before the Office; or

(3) to limit the authority of the Director to issue regulations under chapter 3 relating to sanctions for misconduct by representatives practicing before the Office.

* * * * *

5. 35 U.S.C. 311 provides:

§ 311. Inter partes review

(a) IN GENERAL.—Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute an inter partes review of the patent. The Director shall establish, by regulation, fees to be paid by the person requesting the review, in such amounts as the Director determines to be reasonable, considering the aggregate costs of the review.

(b) SCOPE.—A petitioner in an inter partes review may request to cancel as unpatentable 1 or more claims of a patent only on a ground that could be raised under section 102 or 103 and only on the basis of prior art consisting of patents or printed publications.

(c) FILING DEADLINE.—A petition for inter partes review shall be filed after the later of either—

(1) the date that is 9 months after the grant of a patent; or

(2) if a post-grant review is instituted under chapter 32, the date of the termination of such post-grant review.

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6. 35 U.S.C. 312 provides:

§ 312. Petitions

(a) REQUIREMENTS OF PETITION.—A petition filed under section 311 may be considered only if—

(1) the petition is accompanied by payment of the fee established by the Director under section 311;

(2) the petition identifies all real parties in interest;

(3) the petition identifies, in writing and with particularity, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim, including—

(A) copies of patents and printed publications that the petitioner relies upon in support of the petition; and

(B) affidavits or declarations of supporting evidence and opinions, if the petitioner relies on expert opinions;

(4) the petition provides such other information as the Director may require by regulation; and

(5) the petitioner provides copies of any of the documents required under paragraphs (2), (3), and (4) to the patent owner or, if applicable, the designated representative of the patent owner.

(b) PUBLIC AVAILABILITY.—As soon as practicable after the receipt of a petition under section 311, the Director shall make the petition available to the public.

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7. 35 U.S.C. 313 provides:

§ 313. Preliminary response to petition

If an inter partes review petition is filed under section 311, the patent owner shall have the right to file a preliminary response to the petition, within a time period set by the Director, that sets forth reasons why no inter partes review should be instituted based upon the failure of the petition to meet any requirement of this chapter.

* * * * *

8. 35 U.S.C. 314 provides:

§ 314. Institution of inter partes review

(a) THRESHOLD.—The Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

(b) TIMING.—The Director shall determine whether to institute an inter partes review under this chapter pursuant to a petition filed under section 311 within 3 months after—

(1) receiving a preliminary response to the petition under section 313; or

(2) if no such preliminary response is filed, the last date on which such response may be filed.

(c) NOTICE.—The Director shall notify the petitioner and patent owner, in writing, of the Director's determination under subsection (a), and shall make such notice available to the public as soon as is practicable. Such notice shall include the date on which the review shall commence.

(d) NO APPEAL.—The determination by the Director whether to institute an inter partes review under this section shall be final and nonappealable.

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9. 35 U.S.C. 315 provides:

§ 315. Relation to other proceedings or actions

(a) INFRINGER'S CIVIL ACTION.—

(1) INTER PARTES REVIEW BARRED BY CIVIL ACTION.—An inter partes review may not be instituted if, before the date on which the petition for such a review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.

(2) STAY OF CIVIL ACTION.—If the petitioner or real party in interest files a civil action challenging the validity of a claim of the patent on or after the date on which the petitioner files a petition for inter partes review of the patent, that civil action shall be automatically stayed until either—

(A) the patent owner moves the court to lift the stay;

(B) the patent owner files a civil action or counterclaim alleging that the petitioner or real party in interest has infringed the patent; or

(C) the petitioner or real party in interest moves the court to dismiss the civil action.

(3) TREATMENT OF COUNTERCLAIM.—A counterclaim challenging the validity of a claim of a patent does not constitute a civil action challenging the validity of a claim of a patent for purposes of this subsection.

(b) PATENT OWNER'S ACTION.—An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).

(c) JOINDER.—If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

(d) MULTIPLE PROCEEDINGS.—
Notwithstanding sections 135(a), 251, and 252, and chapter 30, during the pendency of an inter partes re-

view, if another proceeding or matter involving the patent is before the Office, the Director may determine the manner in which the inter partes review or other proceeding or matter may proceed, including providing for stay, transfer, consolidation, or termination of any such matter or proceeding.

(e) ESTOPPEL.—

(1) PROCEEDINGS BEFORE THE OFFICE.—The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner raised or reasonably could have raised during that inter partes review.

(2) CIVIL ACTIONS AND OTHER PROCEEDINGS.—The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 or in a proceeding before the International Trade Commission under section 337 of the Tariff Act of 1930 that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review.

* * * * *

10. 35 U.S.C. 316 provides:

§ 316. Conduct of inter partes review

(a) REGULATIONS.—The Director shall prescribe regulations—

(1) providing that the file of any proceeding under this chapter shall be made available to the public, except that any petition or document filed with the intent that it be sealed shall, if accompanied by a motion to seal, be treated as sealed pending the outcome of the ruling on the motion;

(2) setting forth the standards for the showing of sufficient grounds to institute a review under section 314(a);

(3) establishing procedures for the submission of supplemental information after the petition is filed;

(4) establishing and governing inter partes review under this chapter and the relationship of such review to other proceedings under this title;

(5) setting forth standards and procedures for discovery of relevant evidence, including that such discovery shall be limited to—

(A) the deposition of witnesses submitting affidavits or declarations; and

(B) what is otherwise necessary in the interest of justice;

(6) prescribing sanctions for abuse of discovery, abuse of process, or any other improper use of the proceeding, such as to harass or to cause unnecessary delay or an unnecessary increase in the cost of the proceeding;

(7) providing for protective orders governing the exchange and submission of confidential information;

(8) providing for the filing by the patent owner of a response to the petition under section 313 after an inter partes review has been instituted, and requiring that the patent owner file with such response, through affidavits or declarations, any additional factual evidence and expert opinions on which the patent owner relies in support of the response;

(9) setting forth standards and procedures for allowing the patent owner to move to amend the patent under subsection (d) to cancel a challenged claim or propose a reasonable number of substitute claims, and ensuring that any information submitted by the patent owner in support of any amendment entered under subsection (d) is made available to the public as part of the prosecution history of the patent;

(10) providing either party with the right to an oral hearing as part of the proceeding;

(11) requiring that the final determination in an inter partes review be issued not later than 1 year after the date on which the Director notices the institution of a review under this chapter, except that the Director may, for good cause

shown, extend the 1-year period by not more than 6 months, and may adjust the time periods in this paragraph in the case of joinder under section 315(c);

(12) setting a time period for requesting joinder under section 315(c); and

(13) providing the petitioner with at least 1 opportunity to file written comments within a time period established by the Director.

(b) CONSIDERATIONS.—In prescribing regulations under this section, the Director shall consider the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter.

(c) PATENT TRIAL AND APPEAL BOARD.—The Patent Trial and Appeal Board shall, in accordance with section 6, conduct each inter partes review instituted under this chapter.

(d) AMENDMENT OF THE PATENT.—

(1) IN GENERAL.—During an inter partes review instituted under this chapter, the patent owner may file 1 motion to amend the patent in 1 or more of the following ways:

(A) Cancel any challenged patent claim.

(B) For each challenged claim, propose a reasonable number of substitute claims.

(2) ADDITIONAL MOTIONS.—Additional motions to amend may be permitted upon the joint request of the petitioner and the patent owner to materially advance the settlement of a proceeding under section 317, or as permitted by regulations prescribed by the Director.

(3) SCOPE OF CLAIMS.—An amendment under this subsection may not enlarge the scope of the claims of the patent or introduce new matter.

(e) EVIDENTIARY STANDARDS.—In an inter partes review instituted under this chapter, the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.

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11. 35 U.S.C. 317 provides:

§ 317. Settlement

(a) IN GENERAL.—An inter partes review instituted under this chapter shall be terminated with respect to any petitioner upon the joint request of the petitioner and the patent owner, unless the Office has decided the merits of the proceeding before the request for termination is filed. If the inter partes review is terminated with respect to a petitioner under this section, no estoppel under section 315(e) shall attach to the petitioner, or to the real party in interest or privy of the petitioner, on the basis of that petitioner's institution of that inter partes review. If no petitioner remains in the inter partes review, the Office may terminate the review or proceed to a final written decision under section 318(a).

(b) AGREEMENTS IN WRITING.—Any agreement or understanding between the patent owner and a petitioner, including any collateral agreements referred to in such agreement or understanding, made in connection with, or in contemplation of, the termination of an inter partes review under this section shall be in writing and a true copy of such agreement or understanding shall be filed in the Office before the termination of the inter partes review as between the parties. At the request of a party to the proceeding, the agreement or understanding shall be treated as business confidential information, shall be kept separate from the file of the involved patents, and shall be made available only to Federal Government agencies on written request, or to any person on a showing of good cause.

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12. 35 U.S.C. 318 provides:

§ 318. Decision of the Board

(a) FINAL WRITTEN DECISION.—If an inter partes review is instituted and not dismissed under this chapter, the Patent Trial and Appeal Board shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added under section 316(d).

(b) CERTIFICATE.—If the Patent Trial and Appeal Board issues a final written decision under subsection (a) and the time for appeal has expired or any appeal has terminated, the Director shall issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable, confirming any claim of the patent determined to be patentable, and

incorporating in the patent by operation of the certificate any new or amended claim determined to be patentable.

(c) INTERVENING RIGHTS.—Any proposed amended or new claim determined to be patentable and incorporated into a patent following an inter partes review under this chapter shall have the same effect as that specified in section 252 for reissued patents on the right of any person who made, purchased, or used within the United States, or imported into the United States, anything patented by such proposed amended or new claim, or who made substantial preparation therefor, before the issuance of a certificate under subsection (b).

(d) DATA ON LENGTH OF REVIEW.—The Office shall make available to the public data describing the length of time between the institution of, and the issuance of a final written decision under subsection (a) for, each inter partes review.

* * * * *

13. 35 U.S.C. 319 provides:

§ 319. Appeal

A party dissatisfied with the final written decision of the Patent Trial and Appeal Board under section 318(a) may appeal the decision pursuant to sections 141 through 144. Any party to the inter partes review shall have the right to be a party to the appeal.

* * * * *

14. 35 U.S.C. 321 provides:

§ 321. Post-grant review

(a) IN GENERAL.—Subject to the provisions of this chapter, a person who is not the owner of a patent may file with the Office a petition to institute a post-grant review of the patent. The Director shall establish, by regulation, fees to be paid by the person requesting the review, in such amounts as the Director determines to be reasonable, considering the aggregate costs of the post-grant review.

(b) SCOPE.—A petitioner in a post-grant review may request to cancel as unpatentable 1 or more claims of a patent on any ground that could be raised under paragraph (2) or (3) of section 282(b) (relating to invalidity of the patent or any claim).

(c) FILING DEADLINE.—A petition for a post-grant review may only be filed not later than the date that is 9 months after the date of the grant of the patent or of the issuance of a reissue patent (as the case may be).

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15. 35 U.S.C. 324 provides:

§ 324. Institution of post-grant review

(a) THRESHOLD.—The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

(b) ADDITIONAL GROUNDS.—The determination required under subsection (a) may also be satisfied by a showing that the petition raises a novel or unsettled legal question that is important to other patents or patent applications.

(c) TIMING.—The Director shall determine whether to institute a post-grant review under this chapter pursuant to a petition filed under section 321 within 3 months after—

(1) receiving a preliminary response to the petition under section 323; or

(2) if no such preliminary response is filed, the last date on which such response may be filed.

(d) NOTICE.—The Director shall notify the petitioner and patent owner, in writing, of the Director's determination under subsection (a) or (b), and shall make such notice available to the public as soon as is practicable. Such notice shall include the date on which the review shall commence.

(e) NO APPEAL.—The determination by the Director whether to institute a post-grant review under this section shall be final and nonappealable.

* * * * *

16. 37 C.F.R. 42.100 provides:

§ 42.100 Procedure; pendency.

(a) An *inter partes* review is a trial subject to the procedures set forth in subpart A of this part.

(b) A claim in an unexpired patent shall be given its broadest reasonable construction in light of the specification of the patent in which it appears.

(c) An *inter partes* review proceeding shall be administered such that pendency before the Board after institution is normally no more than one year. The time can be extended by up to six months for good cause by the Chief Administrative Patent Judge, or adjusted by the Board in the case of joinder.

* * * * *

17. 37 C.F.R. 42.107 provides:

§ 42.107 Preliminary response to petition.

(a) The patent owner may file a preliminary response to the petition. The response is limited to setting forth the reasons why no *inter partes* review should be instituted under 35 U.S.C. 314. The response can include evidence except as provided in paragraph (c) of this section. The preliminary response is subject to the page limits under § 42.24.

(b) *Due date.* The preliminary response must be filed no later than three months after the date of a notice indicating that the request to institute an *inter partes* review has been granted a filing date. A patent owner may expedite the proceeding by filing an election to waive the patent owner preliminary response.

(c) *No new testimonial evidence.* The preliminary response shall not present new testimony evidence beyond that already of record, except as authorized by the Board.

(d) *No amendment.* The preliminary response shall not include any amendment.

(e) *Disclaim Patent Claims.* The patent owner may file a statutory disclaimer under 35 U.S.C. 253(a) in compliance with § 1.321(a) of this chapter, disclaiming one or more claims in the patent. No *inter partes* review will be instituted based on disclaimed claims.

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18. 37 C.F.R. 42.108 provides:

§ 42.108 Institution of *inter partes* review.

(a) When instituting *inter partes* review, the Board may authorize the review to proceed on all or some of the challenged claims and on all or some of the grounds of unpatentability asserted for each claim.

(b) At any time prior to institution of *inter partes* review, the Board may deny some or all grounds for unpatentability for some or all of the challenged claims. Denial of a ground is a Board decision not to institute *inter partes* review on that ground.

(c) Sufficient grounds. *Inter partes* review shall not be instituted for a ground of unpatentability unless the Board decides that the petition supporting the ground would demonstrate that there is a reasonable likelihood that at least one of the claims challenged in the petition is unpatentable. The Board's decision will take into account a patent owner preliminary response where such a response is filed.

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19. 37 C.F.R. 42.120 provides:

§ 42.120 Patent owner response.

(a) *Scope.* A patent owner may file a response to the petition addressing any ground for unpatentability not already denied. A patent owner response is filed as an opposition and is subject to the page limits provided in § 42.24.

(b) *Due date for response.* If no time for filing a patent owner response to a petition is provided in a Board order, the default date for filing a patent owner response is three months from the date the *inter partes* review was instituted.

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20. 37 C.F.R. 42.121 provides:

§ 42.121 Amendment of the patent.

(a) *Motion to amend.* A patent owner may file one motion to amend a patent, but only after conferring with the Board.

(1) *Due date.* Unless a due date is provided in a Board order, a motion to amend must be filed no later than the filing of a patent owner response.

(2) *Scope.* A motion to amend may be denied where:

(i) The amendment does not respond to a ground of unpatentability involved in the trial; or

(ii) The amendment seeks to enlarge the scope of the claims of the patent or introduce new subject matter.

(3) *A reasonable number of substitute claims.* A motion to amend may cancel a challenged claim or propose a reasonable number of substitute claims. The presumption is that only one substitute claim would be needed to replace each challenged claim, and it may be rebutted by a demonstration of need.

(b) *Content.* A motion to amend claims must include a claim listing, which claim listing may be contained in an appendix to the motion, show the changes clearly, and set forth:

(1) The support in the original disclosure of the patent for each claim that is added or amended; and

(2) The support in an earlier-filed disclosure for each claim for which benefit of the filing date of the earlier filed disclosure is sought.

(c) *Additional motion to amend.* In addition to the requirements set forth in paragraphs (a) and (b) of this section, any additional motion to amend may not be filed without Board authorization. An additional motion to amend may be authorized when there is a good cause showing or a joint request of the petitioner and the patent owner to materially advance a settlement. In determining whether to authorize such an additional motion to amend, the Board will consider whether a petitioner has submitted supplemental information after the time period set for filing a motion to amend in paragraph (a)(1) of this section.